

LeasePlan

LeasePlan Corporation N.V.

EUR 15,000,000,000

Debt Issuance Programme

Under this EUR 15,000,000,000 Debt Issuance Programme (the "**Programme**") LeasePlan Corporation N.V. ("**LPCorp**" or the "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed by the Issuer of such Notes and the relevant Dealer (as defined below).

The Notes shall include (i) medium term Notes ("**Medium Term Notes**", which may be senior or subordinated), (ii) Notes whereby payment in respect of interest and/or principal is determined by reference to shares ("**Share Linked Notes**"), indices ("**Index Linked Notes**"), funds ("**Fund Linked Notes**"), commodities ("**Commodity Linked Notes**") or currency ("**Currency Linked Notes**") and (iii) inflation linked Notes ("**Inflation Linked Notes**"). "Medium Term Notes" are any Notes issued under the Programme other than Share Linked Notes, Index Linked Notes, Fund Linked Notes, Commodity Linked Notes, Currency Linked Notes and Inflation Linked Notes.

Subject as set out herein, the Notes will not be subject to any maximum maturity but will have a minimum maturity of 1 month and the maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed EUR 15,000,000,000 (or its equivalent in other currencies calculated as described herein).

The Notes will be issued on a continuing basis to one or more of the Dealers specified herein and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). The Dealer or Dealers with whom the Issuer agrees or proposes to agree on the issue of any Notes is or are referred to as the "**relevant Dealer**" in respect of those Notes.

The Notes of each Tranche (as defined below) will (unless otherwise specified in the applicable final terms (the "**Final Terms**") initially be represented by a global Note (a "**Global Note**") which will be deposited on the issue date thereof either (i) with a common depositary or a common safekeeper on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or any other agreed clearance system or (ii) with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("**Euroclear Netherlands**"). See "Form of the Notes" herein.

This base prospectus (the "**Base Prospectus**") constitutes a base prospectus within the meaning of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This Base Prospectus has been approved by The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**") as the competent authority in the Issuer's home Member State pursuant to the Prospectus Directive. For the purposes of the Prospectus Directive, this Base Prospectus is valid for one year from the date hereof.

Application may be made for Notes to be listed on Euronext Amsterdam by NYSE Euronext ("**NYSE Euronext**") or admitted to trading on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg), on any other regulated or unregulated market in the European Economic Area (the "**EEA**") or any other stock exchange(s). The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The Issuer has requested the AFM to provide the Commission de Surveillance du Secteur Financier in Luxembourg with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with Chapter 5.1 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) and related regulations implementing the Prospectus Directive in Dutch law (a "**Notification**"). The AFM may be requested to provide other competent authorities within the EEA with a Notification so that Notes may be offered to the public and application may be made for Notes issued under the Programme to be admitted to trading on other regulated markets within the EEA. NYSE Euronext in Amsterdam and the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) are regulated markets for the purposes of Directive 2004/39/EC (the Markets in Financial Instruments Directive).

Notes issued under the Programme may be rated or unrated. Where an issue of Senior Notes is rated, its rating will not necessarily be the same as the rating applicable to this Programme. Subordinated Notes issued under the Programme may be rated on a case by case basis as specified in the applicable Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Community and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") unless the rating is provided by a credit rating agency operating in the European Community before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused. Each of Moody's Investors Service, Limited ("**Moody's**"), Standard & Poor's Credit Market Services France SAS, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and Fitch Ratings Ltd. ("**Fitch**") are credit rating agencies established in the European Community and are registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which case a supplementary Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

This Base Prospectus is issued in replacement of a base prospectus dated 21 June 2011 relating to the EUR 15,000,000,000 Debt Issuance Programme of the Issuer and accordingly supersedes that earlier base prospectus. This does not affect any Notes issued prior to the date of this Base Prospectus.

This Base Prospectus should be read and construed together with any amendments or supplements hereto and with any documents incorporated by reference herein, and in relation to any Tranche (as defined herein) of Notes, this Base Prospectus should be read and construed together with the Final Terms. Any such supplement, amendment and/or replacement will only be made in accordance with the Prospectus Directive unless in relation to an Issue of Notes under the Programme which falls outside the scope of the Prospectus Directive.

THERE ARE CERTAIN RISKS RELATED TO ANY ISSUE OF NOTES UNDER THE PROGRAMME WHICH INVESTORS SHOULD ENSURE THEY FULLY UNDERSTAND (SEE "RISK FACTORS" BELOW). THIS BASE PROSPECTUS DOES NOT DESCRIBE ALL OF THE RISKS OF AN INVESTMENT IN THE NOTES.

Arranger

The Royal Bank of Scotland

Dealers

ABN AMRO

Banca IMI

BNP PARIBAS

Deutsche Bank

HSBC

J.P. Morgan

Société Générale Corporate & Investment Banking

The Royal Bank of Scotland

ANZ

Banco Bilbao Vizcaya Argentaria, S.A.

Citigroup

DZ BANK AG

ING Commercial Banking

Mizuho Securities

Swedbank

Westpac Banking Corporation

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SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any amendment and supplement thereto and the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each relevant Member State of the European Economic Area, no civil liability attaches to the Issuer solely on the basis of the summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in a Member State, the plaintiff may, under the national legislation of the Member State 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 to those persons who have tabled the summary including any translation thereof, and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus.

The Issuer

LPCorp is a public limited liability company (*naamloze vennootschap*) incorporated under the laws of The Netherlands, having its statutory seat in Amsterdam. LPCorp is authorised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*; "**DNB**") to pursue the business of a bank in The Netherlands. The principal Dutch law on supervision applicable to LPCorp is the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*, the "**FMSA**") which entered into force on 1 January 2007 and under which LPCorp is supervised by the DNB and the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, "**AFM**"). LPCorp holds shares in the respective legal entities that have been established in the various countries where LeasePlan is active. LPCorp is actively managing this international network of operating entities. Throughout this section "LeasePlan" is used as reference to the group of companies which is headed by LPCorp as common shareholder, and which has common business characteristics.

Shareholders of the Issuer

Global Mobility Holding B.V. ("**Global Mobility Holding**"), a limited liability company established in The Netherlands and a joint venture between Volkswagen Bank GmbH ("**Volkswagen Bank**") and Fleet Investments B.V. ("**Fleet Investments**"), holds 100% of the outstanding ordinary shares of LPCorp. Volkswagen Bank and Fleet Investments each currently hold a 50% ownership interest in Global Mobility Holding. Volkswagen Bank is a wholly-owned subsidiary of Volkswagen AG. Fleet Investments is a company indirectly wholly-owned by German banker Friedrich von Metzler. Volkswagen agreed with Fleet Investments that Fleet Investments would become the new co-investor in Global Mobility Holding in 2010 for an initial period of two years. The agreements relating to the joint venture were prolonged by a further two years in 2011.

Management of the Issuer

LPCorp's Managing Board currently consists of the following members:

Name	Born	Title	Member of Managing Board Since
Vahid Daemi	1956	Chairman and Chief Executive Officer	2006
Guus Stoelinga	1963	Chief Financial Officer	2007
Sven-Torsten Huster	1958	Chief Operating Officer	2011

Business overview

LeasePlan is a global vehicle leasing and fleet and vehicle management company of Dutch origin. LeasePlan operates in 30 countries across Europe, North and South America and the Asia-Pacific. LeasePlan offers a comprehensive portfolio of fleet management solutions covering vehicle acquisition, leasing, full-service fleet management, strategic fleet selection and management advice, fleet funding, ancillary fleet and driver services and car remarketing.

As at 31 December 2011, the LeasePlan group employed over 6000 people and its fleet comprised over 1.3 million vehicles of various brands worldwide. As at 31 December 2011, the total book value of

leases and lease receivables was EUR 14.6 billion.

Essential characteristics of the Notes and the Programme

The Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes under the Programme denominated in any currency (including euro) agreed between the Issuer and the relevant Dealer. The aggregate principal amount of the Notes outstanding will not at any time exceed EUR 15 billion, subject to any duly authorised increase. The aggregate principal amount, any interest rate or interest calculation, the issue price and any other terms and conditions not contained herein with respect to each Series of Notes will be established at the time of issuance and set forth in the applicable Final Terms. The Notes may be offered for sale only outside the United States to non-U.S. persons in reliance on and in accordance with Regulation S and in accordance with all applicable laws and regulations.

Application may be made for the Notes issued under the Programme to be admitted to trading on NYSE Euronext in Amsterdam or the regulated market of Luxembourg Stock Exchange (Bourse de Luxembourg) and/or any other regulated market within the EEA and/or any other stock exchange(s). However, Notes may also be issued under the Programme on an unlisted basis, as may be agreed between the Issuer and the relevant Dealer.

At each issue of Notes under the Programme the Issuer will deliver a temporary global Note representing the Notes, which temporary global Note will be exchangeable for either interests in a permanent global Note or Notes in definitive bearer form. The Notes under the Programme will constitute direct and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer (except for subordinated Notes, which rank *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations) and will have the benefit of a negative pledge and the events of defaults set out in the "Terms and Conditions of the Notes" (except for Subordinated Notes (as defined below)). Notes may be redeemable at their principal amount or at such other redemption amount as may be specified in the applicable Final Terms. Early redemption will be permitted for taxation reasons as set out in the section "Terms and Conditions of the Notes" but will otherwise be permitted only to the extent set out in the applicable Final Terms.

Risk Factors

There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes and certain other risks related to the Notes issued under the Programme. These factors and risks are set out under "Risk Factors" starting on page 8 below and include risk factors relating to:

- (i) the market in general, such as that there may not be an active trading market for the Notes, and exchange and interest rate risks;
- (ii) the structure of particular Note issues, such as that in certain cases Notes may be redeemed prior to maturity and that major changes in regulation for the banking industry are taking place which may result in Notes becoming subject to loss absorption, write down or conversion regulations;
- (iii) the Notes in general, such as that the terms and conditions of the Notes may be modified following a Noteholders' meeting and the fact that with regard to Global Notes the Noteholder is to some extent dependent on the procedures of the relevant clearing institution; and
- (iv) the Issuer specifically, such as risks related to the residual value of vehicles, credit risks, operational risks, insurance risks, treasury risks and regulatory risks.

The Issuer will pay principal and interest on the Notes in a specified currency. This presents certain risks relating to currency conversions (if any) if an investor's financial activities are denominated principally in a currency other than the specified currency.

Risk Factors relating to Certain of the Notes

An optional redemption feature in any Notes may negatively impact 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. Noteholders subject to optional redemption likely will not be able to invest their proceeds of redemption at such an attractive rate of interest.

The Issuer may issue Notes with principal or interest determined by reference to a particular share, index, fund, security, inflation index, formula, commodity, currency exchange rate or other factor (each a "**Relevant Factor**"). In addition, the Issuer may issue Dual Currency Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be very volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies, securities, indices, funds;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified;
- (vii) the timing of changes in a Relevant Factor 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 Relevant Factor, the greater the effect on yield; and
- (viii) with respect to Share Linked Notes, if the Notes are redeemable either by payment of the principal amount or by delivery of the underlying shares in lieu thereof, there is no assurance that the value of the shares received will not be less than the principal amount of the Notes.

The Issuer may issue fixed rate Notes ("**Fixed Rate Notes**"). Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

The Issuer may issue partly-paid Notes, where an investor pays part of the purchase price for the Notes on the issue date, and the remainder on one or more subsequent dates. Potential purchasers of such Notes should understand that a failure by a Noteholder to pay any portion of the purchase price when due may trigger a redemption of all of the Notes by the Issuer and may cause such purchaser to lose all or part of its investment.

The Issuer may issue Notes with principal or interest determined by reference to the performance of an underlying fund. Potential investors in such Notes should understand that:

- (i) there are market risks associated with an actual investment in the underlying fund, and though the Notes do not create an actual interest in the underlying fund, the return on the Notes generally involves the same associated risks as an actual investment in the underlying fund;
- (ii) third parties may subscribe for and redeem underlying fund interests, which may affect the performance and volatility of the fund's net asset value and the return on the Notes;
- (iii) any performance of the underlying fund necessary for the Notes to yield a specific return is not assured;
- (iv) the value of units in the underlying fund and the income from it may fluctuate significantly, and may be materially affected by, among other things, market trends, exchange rate fluctuations and political and economic developments in the countries in which the fund invests;
- (v) trading and other costs incurred by funds affect their net asset value; and
- (vi) the funds may have investment strategies and guidelines that are very broad. They may also be free to engage in additional or alternative strategies without reference to any person.

LPCorp may issue Notes under the Programme which are subordinated to the extent described in Condition 2 of Terms and Conditions of the Medium Term Notes ("**Subordinated Notes**"). In the event of the dissolution of LPCorp or if LPCorp is declared bankrupt or in the event that a competent court has declared that LPCorp is in a situation which requires emergency measures (*noodregeling*) in the interest of all creditors, as referred to in Chapter 3.5.5 of the FMSA, and for so long as such situation is in force (such situation being hereafter referred to as "**Moratorium**"), the claims of the holders of the Subordinated Notes against LPCorp will be subordinated to all other claims in respect of any other indebtedness of LPCorp except for other Subordinated Indebtedness (as defined in Condition 2 of Terms and Conditions of the Medium Term Notes). By virtue of such subordination, payments to a holder of Subordinated Notes will, in the event of the dissolution or bankruptcy of LPCorp or in the event of a Moratorium with respect to LPCorp, only be made after, and any set-off by a holder of Subordinated Notes shall be excluded until, all obligations of LPCorp resulting from deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims have been satisfied. A holder of Notes may therefore recover less than the holders of deposit liabilities or the holders of other unsubordinated liabilities of LPCorp.

Supplemental information

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available during normal office hours from the registered office of LPCorp and from the specified office of the Agent:

- (i) the articles of association (*statuten*) of the Issuer and an English translation thereof;
- (ii) the publicly available audited consolidated and unconsolidated annual financial statements (including the auditor's reports thereon) for the two most recent financial years of LPCorp and the most recently available published unaudited semi-annual financial statements of LPCorp (in English);
- (iii) the Programme Agreement, the Agency Agreement (which contains the forms of the temporary and permanent global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons) and the Guarantee;
- (iv) a copy of this Base Prospectus and any further prospectus or prospectus supplement prepared by the Issuer for the purpose of updating or amending any information contained herein or therein; and
- (v) the Final Terms for each Tranche of Notes offered to the public or admitted to trading on a regulated market.

RISK FACTORS

Prospective investors should read the entire Base Prospectus.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons. The risks described below are not the only risks the Issuer faces. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section. Investing in the Notes involves certain risks. Prospective investors should consider, among other things, the following:

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with any investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Notes in a fiduciary capacity, for the beneficiary). In particular, investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as underlying securities for various types of borrowing and (iii) 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.

Risk Relating To The Market Generally

There may not be an active trading market for the Notes.

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application may be made for the Notes issued under the Programme to be admitted to listing on NYSE Euronext in Amsterdam, any other regulated or unregulated market within the EEA or any further or other stock exchange(s), there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes. A decrease in the liquidity of an issue of Notes may cause, in turn, an increase in the volatility associated with the price of such issue of Notes. Any investor in the Notes must be prepared to hold such Notes for an indefinite period of time or until redemption of the Notes. If any person begins making a market for the Notes, it is under no obligation to continue to do so and may stop making a market at any time. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (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 change significantly (including changes due to depreciation of the Specified Currency or appreciation 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 (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

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.

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.

Factors Which Are Material For The Purpose Of Assessing The Market Risks Associated With Notes Under The Programme

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:

- (i) 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 and any applicable supplement;
- (ii) 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;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential Investor's Currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios relating to the economic interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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. Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments but as a way to reduce risk or enhance yield with an understood, measured and 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. Set out below is a description of the most common of such features.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of The Netherlands or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the Notes are redeemable at the Issuer's option or the applicable Final Terms specify that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

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.

Subordinated Notes; limited rights to accelerate

Subordinated Notes will constitute unsecured obligations of LPCorp and will rank *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations of LPCorp save for those preferred by mandatory provisions of law. In the event of liquidation or bankruptcy of LPCorp or in the event of a Moratorium with respect to LPCorp the claims

of the holders of the Subordinated Notes against LPCorp will be subordinated to (a) the claims of depositors, (b) unsubordinated claims with respect to the repayment of borrowed money and (c) other unsubordinated claims. By virtue of such subordination, payments to a holder of Subordinated Notes will, in the event of liquidation or bankruptcy of LPCorp or in the event of a Moratorium with respect to LPCorp only be made after, and any set-off by a holder of Subordinated Notes shall be excluded until, all obligations of LPCorp resulting from deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims have been satisfied. A holder of Subordinated Notes may therefore recover less than the holders of deposit liabilities or the holders of other unsubordinated liabilities of LPCorp. Furthermore, the Conditions do not limit the amount of the liabilities ranking senior to any Subordinated Notes which may be incurred or assumed by LPCorp from time to time, whether before or after the issue date of the relevant Subordinated Notes. In addition, the rights of holders of Subordinated Notes are limited in certain respects. In particular, (i) redemption of Subordinated Notes pursuant to Conditions 7 (b), (c) or (d) of the Terms and Conditions of Medium Term Notes may only be effected after the written consent of DNB has been obtained (unless they cease to qualify as Tier 2 capital), and (ii) LPCorp must obtain the prior written consent of DNB before effecting any repayment of Subordinated Notes qualifying as Tier 2 capital following an event of default. See Conditions 7 (k) and 10 of the Terms and Conditions of Medium Term Notes below for further details.

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should LPCorp become insolvent.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Range Accrual Notes

The indices, formulae, currency exchange rates, rates or combination thereof used to determine the Fixing Event and, consequently, the Index Ratio for Range Accrual Notes may be different from the Reference Rate for such Notes and may therefore fluctuate independently of the Reference Rate for such Notes. This may result in the market value of the Notes falling at a time when the Reference Rate in respect of an Interest Period is rising. If, during the relevant Observation Period, the Fixing Event occurs only on a small number of days or does not occur at all, the Index Ratio may be very low or, as the case may be, zero and, as a result, the rate of interest payable on the Notes in respect of such Interest Period may be very low, or, as the case may be, zero (save for any minimum amount of interest specified in the applicable Final Terms). This will have a detrimental effect on the market value of the Notes.

Where the Observation Days fall in a different chronological period from the Interest Period, the indices, formulae, currency exchange rates, rates or combination thereof which were used to determine the Index Ratio may be different from those which prevail at the time at which the interest amount is being paid. This may have a detrimental effect on the market value of the Notes. For the avoidance of doubt, the days upon which the Fixing Event is observed could be any subset of days within such Interest Period or any other Interest Period or periods, including, but not limited to, a period of one day only.

If the Index Ratio for more than one Interest Period is determined by reference to a single period or date, the rate of interest payable in respect of all such periods will be exposed to the risk that the Index Ratio so determined is low or zero. The market value of the Notes in these circumstances may be detrimentally affected in a material and significant way.

For example, the rate of interest for each Interest Period for a Range Accrual Note may be calculated by multiplying the Reference Rate by the Index Ratio for one specified Observation Period. If the Index Ratio determined by the Calculation Agent is contingent upon the number of days in the Observation Period on which LIBOR (London Interbank Offered Rate) with a designated maturity of 6 months ("**6m LIBOR**") falls within a range of values set out in the relevant Final Terms and during that Observation Period the number of days in which 6m LIBOR is within such range is low (for example, 5 days in an Observation Period of 30 days, giving an Index Ratio equal to 5/30), then the rate of interest payable for each Interest Period in relation to such Note will be calculated by reference to such Index Ratio and any change in 6m LIBOR will not affect the Index Ratio in subsequent Interest Periods. In such circumstances, the rate of interest payable in respect of all Interest Periods and the market value of the Notes will be detrimentally affected in a material and significant way.

Inverse/Reverse Floating Rate Notes

Inverse Floating Rate Notes (also called Reverse Floating Rate Notes) have an interest rate which is determined as a difference between a fixed interest rate and a floating rate reference rate such as EURIBOR (Euro Interbank Offered Rate) or LIBOR (London Interbank Offered Rate) which means that interest income on such Notes falls if the reference interest rate increases. The market values of those Notes typically are 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.

Notes issued at a substantial discount or premium

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

Share Linked Notes, Index Linked Notes, Fund Linked Notes, Commodity Linked Notes, Currency Linked Notes, Inflation Linked Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to a particular share, index, fund, security, inflation index, formula, commodity, currency exchange or other factor or a basket of shares, indices, funds, securities, inflation indices, formulae, commodities or currencies or other factor (each, a "**Relevant Factor**"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be very volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations affecting the value of the Notes that may not correlate with changes in interest rates, currencies, securities or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified;
- (vii) the timing of changes in a Relevant Factor 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 Relevant Factor, the greater the effect on yield; and
- (viii) with respect to Share Linked Notes, if the Notes are redeemable either by payment of the principal amount or by delivery of the underlying shares in lieu thereof, there is no assurance that the value of the shares received will not be less than the principal amount of the Notes.

Fund Linked Notes

The Issuer may issue Notes with principal or interest determined by reference to the performance of an underlying fund. Potential investors in Fund Linked Notes should understand that:

- (i) there are market risks associated with an actual investment in the underlying fund, and though the Notes do not create an actual interest in the underlying fund, the return on the Notes generally involves the same associated risks as an actual investment in the underlying fund. Potential investors in Notes should understand that the Issuer has not purported and does not purport to be a source of information concerning the market risks associated with the underlying fund or fund interests;
- (ii) third parties, not related to the Issuer, may subscribe for and redeem underlying fund interests. These investments may affect the performance and volatility of the fund's net asset value. In turn, this could affect, from time to time, the return on the Notes;
- (iii) the Issuer may invest in the underlying fund for its own account, and the Issuer may exercise its discretion in respect of matters concerning its holding of fund interests as it sees fit, without regard to the interests of any investor in the Notes;

- (iv) any performance of the underlying fund necessary for the Notes to yield a specific return is not assured. Potential investors in the Notes should understand that the performance of the underlying fund may, depending on the terms of the Notes, strongly affect the value of payments on the Notes and the Issuer has no control over the underlying fund or the performance of such fund;
- (v) the value of units in the underlying fund and the income from it may fluctuate significantly. The Issuer has not provided (save as provided herein) and will not provide during the term of the Notes prospective purchasers of the Notes with any information or advice with respect to the performance of an underlying fund. The Issuer may have acquired, or during the term of the Notes may acquire, non-public information with respect to an underlying fund, which will not be provided to the Noteholders. The Issuer makes no representation or warranty about, or guarantee of, the performance of an underlying fund. Past performance of an underlying fund cannot be considered a guide to future performance;
- (vi) the funds may follow a wide range of investment strategies, and invest in assets in a number of different countries and denominated in a number of different currencies. The returns to the Noteholders may, therefore, be materially affected by, among other things, market trends, exchange rate fluctuations and political and economic developments in the relevant countries. This may lead to substantial volatility in the net asset value of the funds;
- (vii) the funds may have investment strategies and guidelines that are very broad. They may also be free to engage in additional or alternative strategies without reference to any other person;
- (viii) the funds may often rely on a few individuals to determine their investment strategies and to make investment decisions. The loss of such individuals could jeopardise the performance of the funds;
- (ix) the funds may be engaged in a high level of trading with commensurately high brokerage and transaction costs, as well as costs associated with leverage, such as interest payments and margin maintenance. Such costs will adversely affect the net asset value of the funds;
- (x) the funds will be exposed to credit risks against brokers and other counterparties with which they deal in implementing their investment strategies;
- (xi) where underlying funds invest in unlisted shares and certain other assets, risks associated with reduced liquidity and lack of objective valuations will arise. Moreover, the underlying funds may invest in emerging markets. This involves risks attributable to nationalisations, expropriation or taxation, currency devaluation, foreign exchange control, political, social or diplomatic instability or governmental restrictions. The capital markets in such countries have substantially less volume, and are generally less liquid and more volatile, than those in more developed markets. Disclosure and regulatory requirements could be less stringent than in other markets, with a low level of monitoring and limited and uneven enforcement of existing regulations;
- (xii) certain of the underlying funds may have no or a limited operating history, with no proven track record in achieving their stated investment objectives;
- (xiii) the underlying funds, or some of them, may be wholly unregulated investment vehicles and may trade in futures, options, forward exchange contracts and other derivative instruments, which may represent significant investment risks. In addition, underlying funds may acquire leveraged trading positions, including through the use of borrowing, and may engage in short selling. As a result of leverage, relatively small price movements may result in substantial losses or gains; and
- (xiv) an underlying fund itself may be subject to fees and charges on its investments which shall be borne by such fund and incorporated in the value of interests in it.

Possible delay in delivery of underlying securities

An issue of Notes may include provisions for the delivery of underlying securities to holders of those Notes. If such delivery is to take place, it may be delayed by factors outside the Issuer's control, for example disruption on relevant clearing systems. The Issuer will not be responsible for any such delay and shall not be obliged to compensate holders of Notes therefore should the value of the underlying have decreased in the meantime or should Noteholders otherwise suffer losses. Furthermore,

Noteholders will be solely responsible for determining whether they are permitted to hold any underlying securities, including under applicable securities laws.

Risks Related To The Notes Generally

New and proposed banking legislation for ailing banks give regulators powers to write down debt

The Dutch legislator has recently adopted new banking legislation dealing with ailing banks (the Special Measures Financial Institutions Act, *Wet bijzondere maatregelen financiële ondernemingen*, the "SMFI"). On 6 June 2012, the European Commission proposed a new Directive on a comprehensive framework for dealing with ailing banks (the "Crisis Management Directive") which contains a number of legislative proposals similar to the SMFI. Under the SMFI, substantial new powers are granted to DNB and the Dutch Minister of Finance enabling them to deal with, *inter alia*, ailing Dutch banks prior to insolvency. The SMFI empowers 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 (nationalization) of the relevant bank. Subject to certain exceptions, as soon as any of these proceedings have been initiated by DNB or the Minister of Finance, as applicable, the relevant counterparties of such bank, which may include Noteholders, would not be entitled to invoke events of default or set off their claims against the bank.

The Crisis Management Directive includes proposals to give regulators resolution powers to write down debt of a failing bank (or to convert such debt into equity) to strengthen its financial position and allow it to continue as a going concern subject to appropriate restructuring. It is currently unclear whether measures ultimately adopted in this area will apply to any debt currently in issue, or whether certain grandfathering rules will apply.

It is at this stage uncertain whether the Crisis Management Directive will be adopted and if so, when and in what form. However, the SMFI and, if it were to be adopted in its current form, the Crisis Management Directive could negatively affect the position of certain categories of the Issuer's Noteholders and the credit rating attached to certain categories of Notes then outstanding, in particular and when any of the above proceedings would be commenced against the Issuer.

Notes where denominations involve integral multiples

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time (i) may not be able to transfer such Notes and (ii) may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and in each case would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

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

Modification and waiver

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interest generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Such Noteholders may need to accept changes which affect the rights of Noteholders against the Issuer or the value of the Notes.

Where the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes. Where such Global Notes will be held by or on behalf of Euroclear and Clearstream, Luxembourg, such Global Notes will be deposited with a common depositary or a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes the Issuer will discharge their payment obligations under the Notes by making payments to or to the order of the common depositary or common safekeeper (as applicable) for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

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

Potential Conflict of Interest; Information and Past Performance

Certain of the Dealers and their affiliates, including parent companies, have engaged, and may in the future engage, in investment banking and/or commercial banking transactions and may perform services for the Issuer and its affiliates in the ordinary course of business. The relevant Final Terms will specify any other interests of natural and legal persons involved in each issue/offer of Notes under the Programme.

The Issuer and its affiliates may engage in trading activities (including hedging activities) related to interests underlying any Notes and other instruments or derivative products based on or related to interests underlying any Notes for their proprietary accounts or for other accounts under their management. The Issuer and its affiliates may also issue other derivative instruments in respect of interests underlying any Notes. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and Noteholders should be aware that such activities could also adversely affect the value of such Notes.

The Issuer may have acquired, or during the term of Notes may acquire, non-public information with respect to securities (or their issuers) or other assets or indices underlying Notes which will not be provided to holders of such Notes. The Issuer makes no representation or warranty about, and gives no guarantee of, the performance of securities or other assets or indices underlying Notes. Past performance of such securities or other assets or indices cannot be considered to be a guarantee of, or guide to, future performance.

Credit Ratings

One of 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 the structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms.

In the event that a rating assigned to the Notes or an Issuer is subsequently suspended, lowered or withdrawn for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes, the market value of the Notes is likely to be adversely affected and the ability of the Issuer to make payments under the Notes may be adversely affected.

Potential U.S. Withholding Tax

The United States has passed legislation (commonly referred to as "**FATCA**") which will impose new information reporting requirements and in some cases 30% withholding with respect to, among other things, payments made by entities such as the Issuer. Non-U.S. financial institutions may avoid being withheld upon under FATCA by entering into agreements with the U.S. Internal Revenue Service (the "**IRS**") to identify financial accounts held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. For these purposes, the term financial institution includes, among others, banks, insurance companies and entities that are engaged primarily in the business of

investing, reinvesting or trading in securities, commodities or partnership interests.

If a participating financial institution makes certain payments to an accountholder that (i) has not provided information requested to establish whether the accountholder is exempt from reporting under the rules, (ii) does not consent, where necessary, to have information about U.S. ownership reported to the IRS or (iii) is a non-participating financial institution (that is not otherwise exempt), the payor will be required to withhold 30% on a portion of the payment.

In preliminary guidance, the IRS stated that it is considering imposing 30% withholding on a portion of each such payment based on the proportion of the relevant financial institution's direct and indirect U.S. assets as compared to its total assets. The IRS has indicated that this type of withholding, which may be relevant to the Notes, will be imposed earlier than 1 January 2017.

An investor that is able to claim the benefits of an income tax treaty between its own jurisdiction and the United States may be entitled to a refund of amounts withheld pursuant to the FATCA rules, though the investor would have to file a U.S. tax return to claim this refund and would not be entitled to interest from the IRS for the period prior to the refund. It is not entirely clear how this rule applies to any withholding on payments of principal or disposition proceeds.

If Notes are issued before 1 January 2013 and additional Notes of the same series are issued after that date, the additional Notes may not be treated as exempt from FATCA withholding, which may have negative consequences on the existing Notes, including a negative impact on market practice.

Under separate rules, where Notes are linked to a U.S. stock or stocks, if amounts paid in respect of the Notes are treated as determined by reference to U.S.-source dividends, certain payments on the Notes could be subject to U.S. withholding tax (up to 30%, depending on the applicable treaty).

If withholding is required under FATCA as a result of any person other than the Issuer or its agent not being entitled to receive payments free of FATCA withholding on Notes linked to U.S. stocks, the Issuer will not be required to pay any additional amounts with respect to the withheld amounts.

The above description is based in part on proposed regulations and official guidance that is subject to change. Investors should consult their own advisors about the application of FATCA, in particular if they may be classified as financial institutions under the FATCA rules.

Risks Relating To The Issuer

Throughout this section "LeasePlan" is used as reference to the group of companies which is headed by LPCorp as common shareholder, and which has common business characteristics.

LeasePlan's activities are subject to the normal risks associated with every business such as credit risks, operational risks, compliance risks, insurance risks and treasury risks. However, additionally and particularly they are related to movements in the residual values of cars.

Residual Values

The term asset risk is used within LeasePlan as a combination of residual value risks and risks on repair & maintenance and tyre replacement (RMT). The most important asset risk is a residual value risk. The residual value, the value of a vehicle at the end of the lease as estimated by LeasePlan in advance, is a market risk in that it may differ from the vehicle's actual market price at the end of the lease. The risk of a decrease in sales proceeds from previously leased vehicles and of such sales proceeds being less than the estimated residual values of such vehicles is mainly affected by external factors, including, among others: changes in economic conditions, consumer confidence, consumer preferences, exchange rates, government policies, new vehicle pricing, new vehicle sales, new vehicle brand images or marketing programs, the actual or perceived quality, safety or reliability of vehicles, the mix of used vehicle supply, the levels of current used vehicle values and fuel prices. For example, the onset of the global economic crisis in 2008 caused a significant decrease in our sales proceeds from previously leased vehicles in 2008 and 2009. After 2009, although substantially improved, such sales proceeds remained below our residual value estimates made at lease inception. At the end of 2011, LeasePlan's sales proceeds from previously leased vehicles declined further primarily due to deteriorating economic conditions and reduced consumer confidence. Although many of these factors are outside of LeasePlan's control, LeasePlan has put in place internal procedures related to them as part of its risk management. Any of these factors may materially adversely affect the Issuer's financial condition and results of operations. See section "*Risk Management*".

Insurance Risks

LeasePlan bears the damage risk for a growing number of vehicles. In addition to vehicle own damage risks, it is exposed to risks through its insurance of third-party liability (which includes personal injury, death and property damage), motor material damage, passenger indemnity and legal assistance.

LeasePlan purchases reinsurance covers on an excess loss basis for the two principal risks, motor third-party liability and catastrophic events, to seek to minimize the financial impact of a single large accident or event. However, Globalines Reinsurance Ltd., our wholly owned reinsurance subsidiary (based in the Isle of Man), seeks to reinsure these risks up to certain prescribed coverage limits while external reinsurance providers are used for any other coverage required. Nevertheless, our exposure to significant claims, insufficient premiums to cover our risk exposure, insufficient reinsurance coverage for our insurance business, delays in the recovery of funds owed under reinsurance policies, loss of our insurance or reinsurance licenses or any of the above risks could have a material adverse effect on our financial condition and results of operations.

Regulatory Risks

As a bank, the Issuer is subject to banking laws, regulations, corporate governance requirements, administrative actions and policies in each location in which it operates. Since 2009, as many emergency government programs slowed or wound down, global regulatory and legislative focus generally moved to a second phase of broader reform and a restructuring of financial institution regulation. Legislators and regulators, both in Europe and the United States, are currently considering a wide range of proposals that, if enacted, could result in major changes to the way the Issuer's banking operations are regulated. Some of these major changes could materially impact the profitability of the Issuer's businesses, the value of its assets or the collateral available for its loans, require changes to business practices or force the Issuer to discontinue businesses and expose the Issuer to additional costs, taxes, liabilities, enforcement actions and reputational risk.

The Issuer is required by regulators in The Netherlands and in other jurisdictions in which it undertakes regulated activities, to maintain adequate capital resources. The maintenance of adequate capital is also necessary for the Issuer's financial flexibility in the face of continuing turbulence and uncertainty in the global economy.

As a financial company, certain reform proposals under consideration, including the proposals of the Basel Committee on Banking Supervision (the "**Basel Committee**") as set out in its paper released on 16 December 2010 (revised in June 2011) and press release of 13 January 2011 (the "**Basel III Final Recommendations**") and intended to be implemented in the European Union through the Capital Requirements Directives and Capital Requirements Regulation known as "**CRD IV**", will, *inter alia*, result in the Issuer becoming subject to stricter capital requirements and could also affect the scope, coverage, or calculation of capital, all of which could require the Issuer to reduce business levels or to raise capital, including in ways that may adversely impact the Issuer's creditors.

The Basel III Final Recommendations are being discussed in the European Parliament and Council, and are being proposed as further revisions to CRD IV. The newly issued CRD IV is scheduled to enter into force as of 1 January 2013 and will replace its predecessor capital requirements directives (CRD I, II and III). If implemented in The Netherlands, the Basel III Final Recommendations will result in an increase of the minimum common equity (or equivalent) requirement from 2 per cent. (before the application of regulatory adjustments) to 4.5 per cent. (after the application of stricter regulatory adjustments). The total Tier 1 capital requirement will increase from 4 per cent. to 6 per cent. In addition, banks will be required to maintain, in the form of common equity (or equivalent), a capital conservation buffer of 2.5 per cent. to withstand future periods of stress, bringing the total common equity (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 buffer within a range of 0 per cent. to 2.5 per cent. of common equity (or other fully loss absorbing capital) is to be applied as an extension of the conservation buffer. Furthermore, systemically important banks should have loss absorbing capacity beyond these standards.

These and other future changes to capital adequacy and liquidity requirements in the jurisdictions in which it operates may require the Issuer to raise additional Tier 1, Core Tier 1 and Tier 2 capital. If the Issuer is unable to raise the requisite Tier 1 and Tier 2 capital, it may be required to further reduce the amount of its risk-weighted assets and engage in the disposition of core and other non-core businesses, which may not occur on a timely basis or achieve prices which would otherwise be attractive to the Issuer.

Any change that limits the Issuer's ability to manage effectively its balance sheet and capital resources going forward (including, for example, reductions in profits and retained earnings as a result of write-downs or otherwise, increases in risk-weighted assets, delays in the disposal of certain assets, a growth in unfunded pension exposures or otherwise) or to access funding sources, could have a material adverse impact on its financial condition, regulatory capital position and liquidity provision.

The Dutch legislator has recently adopted new banking legislation dealing with ailing banks, the SMFI. On 6 June 2012, the European Commission proposed the Crisis Management Directive, which contains a number of legislative proposals similar to the SMFI. Under the SMFI, substantial new powers are granted to DNB and the Dutch Minister of Finance enabling them to deal with, *inter alia*, ailing Dutch banks prior to insolvency. The SMFI empowers 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 (nationalization) of the relevant bank. Subject to certain exceptions, as soon as any of these proceedings have been initiated by DNB or the Minister of Finance, as applicable, the relevant counterparties of such bank, which may include Noteholders, would not be entitled to invoke events of default or set off their claims against the bank.

The Crisis Management Directive includes proposals to give regulators resolution powers to write down debt (which may include the Notes) of a failing bank (or to convert such debt into equity) to strengthen its financial position and allow it to continue as a going concern subject to appropriate restructuring. It is currently unclear whether measures ultimately adopted in this area will apply to any debt currently in issue (including the Notes, or whether certain grandfathering rules will apply).

It is at this stage uncertain whether the Crisis Management Directive will be adopted and if so, when and in what form. However, the SMFI and, if it were to be adopted in its current form, the Crisis Management Directive could negatively affect the position of certain categories of the Issuer's bondholders (including the Noteholders) and the credit rating attached to certain categories of debts instruments then outstanding, in particular and when any of the above proceedings would be commenced against the Issuer. These measures could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial position and results of operation.

Credit Risks

The Issuer's business is subject to general credit risks, including credit risks of clients and other credit risks originating from the Issuer's banking and treasury activities, and credit risk as a result of the Issuer's insurance activities as well as to discounts to be received from vehicle manufacturers and other suppliers. Risks arising from changes in credit quality and the recoverability of amounts due from counterparties are inherent in a wide range of the Issuer's business. Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. Counterparties may default on their obligations to the Issuer due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons. The above factors may lead to material losses for the Issuer and may have an adverse effect on the Issuer's results.

RISK MANAGEMENT

Below is a brief description of certain aspects of risk management. The below description does not purport to give a complete overview of all risk management measures taken by the Issuer. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any decision.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section. Investing in the Notes involves certain risks. Prospective investors should consider, among other things, the following:

Throughout this section "LeasePlan" is used as reference to the group of companies which is headed by LPCorp as common shareholder, and which has common business characteristics.

Risk Management

LeasePlan's fleet management activities are exposed to amongst others the following specific risks: credit risks, asset risks, operational risks, compliance risks, insurance risks and treasury risks (see "*Risks Relating To The Issuer*" in the section "*Risk Factors*"). LeasePlan has taken steps to manage them as effectively as possible. All risk management processes have been honed in preparation of the implementation of the international capital framework under the Basel Capital Accord (Basel II) that became effective on 1 January 2008. LeasePlan has prepared the implementation of advanced methodologies as per 1 December 2008. In November 2008, DNB has approved such implementation and as a result, LeasePlan calculates and reports its regulatory capital requirements and capital ratios based on advanced internal models both for credit risk of corporate clients (AIRB) and operational risk (AMA) as from 1 December 2008. By making the risk sensitivity of individual processes more transparent, these efforts have already had a favourable impact on the risk management discipline at group level. LeasePlan is currently preparing for the use of AIRB for its retail lease portfolio in its UK and Dutch entities.

Credit Risk Management

Following LeasePlan's strategy, an important share of the portfolio comprises large international clients, most of which have a sound financial basis. The corporate clients' part of the lease portfolio together with governments and banks form approximately 84% of LeasePlan's lease portfolio exposure. Consequently, the creditworthiness of the consolidated LeasePlan portfolio is considered to be of a good quality. The creditworthiness of corporate clients is regularly monitored using a global credit risk management system that includes a rating model designed to calculate the likelihood of a client not being able to meet its obligations in time. The rating model for corporate clients is governed by validation by an external party and quarterly performance monitoring. Furthermore, an annual review takes place in order to identify needs and wishes for improving the predictability of the model.

Asset Risk Management

The most important asset risk is the residual value risk (see the risk factor "*Residual Values*" in the section "*Risk Factors*"). External factors, such as the supply of used vehicles, consumer preferences, exchange rates, government policies and general economic circumstances (such as the impact of a liquidity crisis), can only be managed to a certain extent. Within this context, the introduction of vehicles that are more environment-friendly and the promotion of the usage of these through the restructuring of national vehicle taxation regimes are important to LeasePlan. These factors may influence the residual values of the present generation of vehicles with higher CO2 emissions. Internal procedures, including the calculation of residual values, can be controlled. LeasePlan has a robust policy in place with respect to residual value risks.

LeasePlan's residual value risk policy describes, among other things, the roles and responsibilities for residual value risk management, the minimum standards for residual value risk mitigation and the mandatory frequency of residual value risk measurement and reporting, which apply for all group companies bearing residual value risk. Furthermore, this policy describes a limit structure based on LeasePlan's defined residual value risk appetite, whereby the level of risk taking is determined for three echelons within LeasePlan. As a part of the residual value risk policy, all group companies must establish a local asset risk committee, which is required to convene at least once every quarter and is tasked with overseeing on behalf of the local management team the adequate management of asset risks, which includes reporting on, *inter alia*, asset risk measurements and the trends in risk mitigation, residual values and vehicle repair, maintenance and tire replacement results. The local asset risk committees assess residual value risk exposure by taking into account both internal influences and external influences and, based on their assessment, decide on the appropriate residual value estimates and risk mitigating measures to be applied. The committees are responsible for informing

the management team of such group company on all relevant asset risk issues.

Operational Risk Management

Operational risk management focuses on identifying weaknesses in internal procedures and external causes of wilful or accidental damage to the company. Procedures are adapted to prevent losses or limit their potential impact. LeasePlan actively manages operational risks at a local and central level, mainly using three support tools. The first consists of a central database used to collect and analyse information on operational losses incurred by all group companies. Secondly, LeasePlan has developed risk self-assessment methods, which have been rolled out to all group companies. This method provides group companies with a structural means of identifying current and future risks, as well as the necessary steps to mitigate them. The performance of such risk self-assessments is preceded by an annual top down risk assessment by group companies' management. Thirdly, all identified operational risks are collected in 'risk libraries', which have been implemented in all LeasePlan entities. These libraries, which are consolidated centrally, provide guidance for sharing best practices among group companies and form the basis for estimating and preventing future losses. For the calculation of its regulatory capital requirements, LeasePlan applies the Advanced Measurement Approach as from 1 December 2008, meaning it uses its internally developed models for these calculations. Similar to the models used within the credit risk management area, the operational risk models are surrounded by sound governance (development, validation, implementation and monitoring) ensuring a proper functioning of the models.

Compliance Risk Management

LeasePlan realises that sound business operations depend on a company's culture and a staff adhering to all relevant requirements with respect to integrity, expertise and professionalism. The basis for mitigating compliance risks is formed by LeasePlan's Compliance Charter, as well as the Compliance Risk policy. In 2011, a new Code of conduct was adopted. The roll-out of this Code will add to this basis by ensuring ethical behaviour in the broadest sense, including corporate responsibility in doing its business. The compliance function as well as the function of Information Security Officer has been embedded in all group companies. This not only ensures that compliance is actively monitored at a local level and reported to central level, but also gives comfort that information relating to LeasePlan, its customers, drivers and suppliers are sufficiently protected.

Motor Insurance Risk Management

Some of the insurance risks, such as the risk of exceptional damage and incidents (for example hail and flood damage), are reinsured with reinsurers which comply with minimum external rating requirements and with LeasePlan's reinsurance captive Reinsurance Ltd. (based in the Isle of Man). Vehicle fleets are underwritten in accordance with strict procedures. Regular analysis of claims statistics, strict compliance with claims handling procedures and, when necessary, reviews of insurance premiums should ensure a healthy balance between premiums and claims risk, both at an aggregate and individual fleet level. The insurance premiums can be adjusted annually during the term of the lease. The provision for claims is regularly assessed internally and periodically checked by external actuaries. LeasePlan's insurance company, Euro Insurances Ltd. ("**Euro Insurances**"), is regulated by the Irish Financial Services Regulatory Authority and its 'European passport' enables it to support group companies in all EU countries. In 2007 LeasePlan finalised preparations for compliance with the Insurance Mediation Directive (Directive 2002/92/EC). Furthermore, LeasePlan and Euro Insurances are closely following the developments under Solvency II, the European Commission's reform of prudential regulation for European insurers. Euro Insurance has started with the necessary activities in order to comply with Solvency II regulations in 2013.

Treasury Risk Management

To manage treasury risks, LeasePlan applies various liquidity, interest rate, credit and currency risk limits and monitors these risks within predefined risk limits. Liquidity, interest rate and currency risks are minimised by financing the lease contracts in local currency and ensuring that the financial instruments match the term of the contract and the underlying interest basis wherever possible. LeasePlan does not run a trading book, thus any derivatives entered into are for hedging purposes only. The range and complexity of the transactions that LeasePlan Treasury conclude requires a robust and effective treasury management system to ensure all risks are properly captured, calculated and assessed. In 2008, LeasePlan upgraded its Treasury Management System (Quantum) and additionally purchased a specific risk reporting tool (QRisk) to assist risk management in the measurement monitoring and analysis of these risks. QRisk has been successfully utilised by LeasePlan Treasury to automate the risk reports required and forms an integral part of future reporting within LeasePlan Treasury.

As LeasePlan continues to raise funds on an independent platform, the monitoring of liquidity risks has

become more important. LeasePlan has therefore created a clear funding strategy aimed at diversification of funding sources through a wide range of markets. In addition to the Programme, LeasePlan has a number of alternative funding platforms including an A\$2 billion Kangaroo programme, German promissory notes (Schuldscheine) and a short term funding mix that incorporates a EUR 3 billion euro commercial paper programme, a EUR 2 billion Belgian CD programme and interbank deposits.

Diversifying its focus outside of wholesale funding LeasePlan has also successfully established a securitisation programme 'BUMPER' and as of April 2012 has placed over EUR 2 billion of AAA Class A notes from 3 different jurisdictions (Netherlands, Germany & UK) with institutional investors and is currently analysing lease portfolios from other jurisdictions to continue this process. In February 2010 LeasePlan used its Dutch banking licence to set up 'LeasePlan Bank' an on-line bank in The Netherlands focussing on the Dutch retail market.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

If the terms of the Programme are modified or amended in a manner which would make the Base Prospectus, as supplemented, inaccurate or misleading, a new Base Prospectus will be prepared.

In the context of "an offer of Notes to the public", as defined below in "Subscription and Sale", and subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealers or the Managers and the persons named in or identifiable following the applicable Final Terms as the financial intermediaries, as the case may be.

Any person (an "**Investor**") intending to acquire or acquiring any Notes from any person (an "**Offeror**") should be aware that in the context of "an offer of Notes to the public", as defined below in "Subscription and Sale", the Issuer may be responsible to the Investor for the Base Prospectus only if the Issuer has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the Issuer. If the Offeror is not authorised by the Issuer, the Investor should check with the Offeror whether anyone (other than the Issuer) is responsible for the prospectus used by that Offeror in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether the Issuer has authorised the Offeror to make the offer to the Investor it should take legal advice.

An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of the Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information and an Investor must obtain such information from the Offeror.

In relation to each separate issue of Notes, the issue price and the amount of such Notes will be determined, before filing of the relevant Final Terms (as defined below) of each issue, based on then prevailing market conditions at the time of the issue of the Notes, and will be set out in the relevant Final Terms. The Final Terms will be provided to investors and filed with the relevant competent authority for the purposes of the Prospectus Directive when any public offer of Notes is made or Notes are admitted to trading on a regulated market as soon as practicable and if possible in advance of the beginning of the offer or admittance to trading on a regulated market.

Final Terms will (if applicable) specify the nature of the responsibility taken by the Issuer for any information relating to an underlying security, other asset, index, fund, commodity, currency or other item(s) to which the Notes may relate which is contained in such Final Terms. However, unless otherwise expressly stated in the Final Terms, any information contained therein relating to a Relevant Factor (as defined below) will only consist of extracts from, or summaries of, information contained in financial or other information released publicly by the Issuer, owner or sponsor, as the case may be, of such Relevant Factor. The Final Terms will (where applicable) specify the source(s) of such information provided by a third party. The Issuer will accept responsibility for accurately reproducing such extracts or summaries and for ascertaining that, as far as the Issuer is aware and is able to ascertain from information published by a third party, no facts will have been omitted which would render the reproduced information inaccurate or misleading.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be set forth in the final terms (the "**Final Terms**") for the particular issue.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" on page 23). This Base Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Base Prospectus.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme 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 Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Notes. No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers, in their capacity as such, as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

Structured securities, including certain of the Notes which may be issued under the Programme, are sophisticated instruments, can involve a high degree of risk and are intended for sale only to those investors capable of understanding the risk entailed in such instruments. Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they understand the nature of the Notes as an investment in the light of their own circumstances and financial condition. Prospective purchasers of the Notes should conduct their own investigations and, in deciding whether or not to purchase Notes, should form their own views of the merits of an investment related to the Notes based upon such investigations and not in reliance upon any information given in this document and the applicable Final Terms. In particular, each investor contemplating purchasing any Notes should make its own appraisal of any share or index, fund, debt security, currency, commodity or other asset to which such Note may be linked (including the creditworthiness of the issuer of any share or debt or other security to which such Note may be linked). If in doubt potential investors are strongly recommended to consult with their financial advisers before making any investment decision.

Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes. This Base Prospectus may only be used for the purposes for which it has been published. Neither the Issuer nor any of the Dealers represent that this Base Prospectus may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction. In particular, further action may be required under the Programme in order to permit a public offering of the Notes or distribution of this document in any jurisdiction.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to 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 indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, inter alia, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the European Economic Area (including The Netherlands, Italy, Luxembourg and the United Kingdom), Japan and the United States (see "Subscription and Sale" below).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or jurisdiction of the United States and include Notes in bearer form that are subject to U.S. tax law requirements. Notes may not be offered, sold or 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**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the Securities Act.

All references in this document to "U.S. dollars", "U.S.\$" and "\$" refer to the currency of the United States of America, those to "Japanese yen", "Yen" and "¥" refer to the currency of Japan, those to "Sterling" and "£" refer to the currency of Great Britain and those to "EUR", "€" and "euro" refer to the currency of the Member States of the European Union participating in the economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) 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 (i) 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 (ii) if a prospectus for such offer 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 and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such offer. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have 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. The expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms 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 terms of the offer of the relevant Tranche of Notes 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 of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment 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.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the AFM, shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) the articles of association (*statuten*) of the Issuer;
- (b) the publicly available audited consolidated and unconsolidated annual financial statements of LPCorp for 2009 (as set out on pages 37 through 108 and pages 109 through 121 of the 2009 annual report in respect of LPCorp, including the auditor's reports thereon on page 122) and the publicly available audited consolidated and unconsolidated annual financial statements of LPCorp for 2010 (as set out on pages 53 through 117 and pages 118 through 134 of the 2010 annual report in respect of LPCorp, including the auditor's reports thereon on page 135) and the publicly available audited consolidated and unconsolidated annual financial statements of LPCorp for 2011 (as set out on pages 71 through 137 and pages 138 through 154 of the 2011 annual report in respect of LPCorp, including the auditor's report thereon on page 155); and
- (c) the terms and conditions (including the form of final terms) set out on pages 35 through 116 of the base prospectus dated 17 June 2010 (the "**2010 Conditions**") and the terms and conditions (including the form of final terms) set out on pages 35 through 118 of the base prospectus dated 21 June 2011 (the "**2011 Conditions**").

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.

The Issuer will provide, free of charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference and any further prospectus or prospectus supplement prepared by the Issuer for the purpose of updating or amending any information contained herein or therein and, where appropriate, English translations of any or all such documents. Requests for such documents should be directed to the Issuer in writing at the registered office set out at the end of this Base Prospectus or by telephone at +31 36 539 3911 with regard to LPCorp.

In addition, such documents will be available, free of charge, from the office in London of Deutsche Bank AG, London Branch in its capacity as Issuing and Principal Paying Agent and on the investors section of the Issuer's website www.leaseplan.com.

The Issuer will, in case of any significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes to be issued under the Programme, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Cross-Reference List

The Annual Report 2009

<i>Financial Statements</i>	<i>pages 37-108 and 109-121</i>
<i>Auditor's Report</i>	<i>page 122</i>

The Annual Report 2010

<i>Financial Statements</i>	<i>pages 53-117 and 118-134</i>
<i>Auditor's Report</i>	<i>page 135</i>

The Annual Report 2011

<i>Financial Statements</i>	<i>pages 71-137 and 138-154</i>
<i>Auditor's Report</i>	<i>page 155</i>

This Base Prospectus and any supplement will only be valid for the issue of Notes under the Programme in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed EUR 15,000,000,000 or its equivalent in other currencies. For the purpose of calculating the aggregate amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in another Specified Currency (as defined under "Form of the Notes" below) shall be determined, at the discretion of LPCorp, as of the date of agreement to issue such Notes (the "Agreement Date") or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by LPCorp on such date;
- (b) the amount (or, where applicable, the euro equivalent) of Dual Currency Notes, Index Linked Notes, Partly Paid Notes, Share Linked Notes, Fund Linked Notes, Commodity Linked Notes, Currency Linked Notes and Inflation Linked Notes (each as defined under "Form of the Notes" below) shall be calculated (in the case of Notes not denominated in euro, in the manner specified above) by reference to the original nominal amount of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the amount (or, where applicable, the euro equivalent) of Zero Coupon Notes (as defined under "Form of the Notes" below) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

KEY FEATURES OF THE PROGRAMME

The following description of the key features of the Programme does not purport to be complete and is taken from, and is qualified by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any amendment and supplement thereto and the documents incorporated by reference. Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" below shall have the same meanings in this description.

Issuer:	LeasePlan Corporation N.V.
Description:	Debt Issuance Programme
Arranger:	The Royal Bank of Scotland plc
Dealers:	ABN AMRO Bank N.V. Australia and New Zealand Banking Group Limited Banca IMI S.p.A. Banco Bilbao Vizcaya Argentaria, S.A. BNP PARIBAS Citigroup Global Markets Limited Deutsche Bank AG, London Branch DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main HSBC Bank plc ING Bank N.V. J.P. Morgan Securities Ltd. Mizuho International plc Société Générale Corporate & Investment Banking Swedbank AB (publ) The Royal Bank of Scotland plc Westpac Banking Corporation
Competent Authority for the purposes of the Prospectus Directive:	The Netherlands Authority for the Financial Markets
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale" below).
Issuing and Principal Paying Agent:	Deutsche Bank AG, London Branch
Size:	Up to EUR 15,000,000,000 (or its equivalent in other currencies calculated as described herein below) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the applicable Final Terms.
Currencies:	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, euro, Hong Kong dollars, Sterling, Swiss francs, U.S. dollars and Yen.
Redenomination:	The applicable Final Terms may provide that certain Notes may be redenominated in euro. The relevant provisions applicable to any such redenomination are contained in Condition 4 of the Terms and Conditions of Medium Term Notes.
Maturities:	Any maturity, subject to applicable laws, regulations and restrictions and subject to a minimum maturity of one (1) month.
Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be in bearer form. Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) initially be in the form of either a temporary global Note or a permanent global Note, in each case as specified in the relevant Final Terms. Each global note which is not intended to be issued in New Global Note (" NGN ") form (a " Classic Global Note " or " CGN "), as specified in the relevant Final Terms, will be deposited on or around the relevant Issue Date either (i) with a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearance system or (ii) with Euroclear Netherlands. Each global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream Luxembourg. Each temporary global Note will be exchangeable for a permanent global Note or, if so specified in the relevant Final Terms, for definitive Notes upon certain conditions including, in the case of a temporary global Note where the issue is subject to TEFRA D selling restrictions, upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a permanent global Note is exchangeable for definitive Notes only upon the occurrence of an Exchange Event, as described in "Form of the Notes" below, and in respect of global Notes deposited with Euroclear Netherlands only in the limited circumstances as described in the Securities Giro Act (<i>Wet giraal effectenverkeer</i>) and in accordance with the rules and regulations of Euroclear Netherlands. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of either (i) Euroclear, Clearstream, Luxembourg and/or any other agreed clearance system or (ii) Euroclear Netherlands, as appropriate.
Interest:	Interest in respect of the Notes may have a Fixed Rate or a Floating Rate, or may not bear interest (Zero Coupon), or may be calculated by reference to an index and/or formula, to shares, funds, exchange rate or a combination of any of the above, as specified in the applicable Final Terms.

Fixed Rate Notes:	Fixed interest will be payable on the date or dates specified in the applicable Final Terms and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined as follows: (i) 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 (ii) on the basis of a reference rate on the agreed screen page of a commercial quotation service or (iii) using any other method of determination as may be provided in the applicable Final Terms. The Margin (if any) relating to such floating rate will be specified in the applicable Final Terms.
Index Linked Notes:	Payments in respect of interest (if any) or principal on Index Linked Notes will be calculated by reference to a single index or a basket of indices and/or formula(e) as may be specified in the applicable Final Terms. The terms and conditions applicable to Index Linked Notes are set out under "Terms and Conditions of Index Linked Notes". The specific terms and conditions applicable to a particular trade of Index Linked Notes will be as set out in the relevant Final Terms.
Range Accrual Notes:	Notes issued pursuant to the Programme may include Index Linked Notes in respect of which, for one or more Interest Periods, the rate of interest specified in the applicable Final Terms is calculated by multiplying a rate, currency exchange rate, index, formula or other factor or combination thereof (each a " Reference Rate ") by a fraction (the " Index Ratio ") whose denominator is the total number of days (each an " Observation Day ") within a period (an " Observation Period ") and whose numerator is the actual number of days during that Observation Period on which a predetermined event (the " Fixing Event ") occurs. The Fixing Event may be an event upon which one or more indices, formulae, currency exchange rates, rates or a combination thereof, is greater than and/or equal to and/or lower than and/or equal to a predetermined level or levels of another rate, currency exchange rate, index, formula or constant, as specified in the applicable Final Terms.
Large Denomination Notes - Principal at risk:	<p>If so specified in the relevant Final Terms with respect to Notes with a denomination of at least EUR 100,000 (or equivalent in other currency) the principal amount at risk may amount up to 30 per cent. of their nominal amount depending on factors set out in the relevant Final Terms.</p> <p>If so specified in the relevant Final Terms with respect to Notes with a denomination of at least EUR 250,000 (or equivalent in other currency) the principal amount at risk may amount up to 100 per cent. of their nominal amount depending on factors set out in the relevant Final Terms.</p>
Other provisions in relation to interest-bearing Notes:	<p>Notes may have a maximum interest rate, a minimum interest rate and/or both. Terms applicable to step-up Notes, step-down Notes, Inverse Floating Rate Notes (also called Reverse Floating Rate Notes), Fixed/Floating Rate Notes, snowball Notes and any other type of Note that the Issuer and the relevant Dealer(s) may agree to issue under the Programme will be set out in the relevant Final Terms.</p> <p>Interest on Notes in respect of each Interest Period, as agreed</p>

prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).

Dual Currency Notes:	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the applicable Final Terms.
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount or at par and will not bear interest other than in the case of late payment.
Share Linked Notes:	Payments in respect of interest (if any) and principal on Share Linked Notes will be calculated by reference to a single share or a basket of shares and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Share Linked Notes are set out under "Terms and Conditions of Share Linked Notes". The specific terms and conditions applicable to a particular issue of Share Linked Notes will be set out in the relevant Final Terms.
Fund Linked Notes:	Payments in respect of interest (if any) and principal on Fund Linked Notes will be calculated by reference to such fund(s) and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Fund Linked Notes are set out under "Terms and Conditions of Fund Linked Notes". The specific terms and conditions applicable to a particular issue of Fund Linked Notes will be set out in the relevant Final Terms.
Commodity Linked Notes:	Payments in respect of interest (if any) and/or principal on Commodity Linked Notes will be calculated by reference to a commodity or a basket of commodities and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Commodity Linked Notes are set out under "Terms and Conditions of Commodity Linked Notes". The specific terms and conditions applicable to a particular issue of Commodity Linked Notes will be set out in the relevant Final Terms.
Currency Linked Notes:	Payments in respect of interest (if any) and/or principal on Commodity Linked Notes will be made in such currencies, and by reference to such rates of exchange and/or formula(e) as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Currency Linked Notes are set out under "Terms and Conditions of Currency Linked Notes". The specific terms and conditions applicable to a particular issue of Currency Linked Notes will be set out in the relevant Final Terms.
Inflation Linked Notes:	Payment of principal and/or interest (if any) in respect of Inflation Linked Notes will be calculated by reference to such inflation index or indices and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Inflation Linked Notes are set out under "Terms and Conditions of Inflation Linked Notes". The specific terms and conditions applicable to a particular issue of Inflation Linked Notes will be set out in the relevant Final Terms.

Redemption:	<p>The applicable Final Terms will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice as is indicated in the applicable Final Terms to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms. The applicable Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as indicated in it.</p> <p>If so specified in the relevant Final Terms with respect to Notes with a denomination of at least EUR 100,000 (or equivalent in other currency) the principal amount at risk may amount up to 30 per cent. of their nominal amount depending on factors set out in the relevant Final Terms.</p> <p>If so specified in the relevant Final Terms with respect to Notes with a denomination of at least EUR 250,000 (or equivalent in other currency) the principal amount at risk may amount up to 100 per cent. of their nominal amount depending on factors set out in the relevant Final Terms.</p> <p>Subordinated Notes (unless they cease to qualify as Tier 2 capital) may only be redeemed early on receipt of written approval of DNB.</p>
Denomination of Notes:	Notes will be issued in such denominations as may be specified in the applicable Final Terms save that (i) the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Taxation:	<p>Payments in respect of the Notes will be made subject to withholding of applicable taxes (if any) imposed within the jurisdiction of incorporation, and, if different, tax residence of the Issuer or, if so specified in the applicable Final Terms, without withholding or deduction for or on account of taxes levied in The Netherlands, subject to certain exceptions as provided in Condition 8 of the Terms and Conditions of Medium Term Notes. If the applicable Final Terms provides that payments are to be made subject to withholding of applicable Dutch taxes (if any), it will also specify that Condition 7(b) of the Terms and Conditions of Medium Term Notes will not apply to such Notes.</p>
Negative Pledge:	See Condition 3 of the Terms and Conditions of Medium Term Notes.
Cross Default:	See Condition 10 of the Terms and Conditions of Medium Term Notes.
Status of the Senior Notes:	All Notes issued by the Issuer other than Subordinated Notes shall be Senior Notes (the " Senior Notes "). The Senior Notes will constitute unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.
Status of the Subordinated Notes:	The Subordinated Notes will constitute unsecured subordinated obligations of LPCorp. Subordinated Notes of one Series will rank <i>pari passu</i> without any preference among themselves and with all other present and future unsecured and identically subordinated obligations of LPCorp, save for those preferred by mandatory

provisions of law.

In accordance with the Decree on prudential rules FMSA as amended from time to time (*Besluit Prudentiële regels Wet op het Financieel toezicht*, the "**Decree on Prudential Rules FMSA**") to which LPCorp is subject, the Subordinated Notes may qualify as tier 2 capital ("**Tier 2 Notes**"), as specified in the applicable Final Terms and in accordance with such other terms and conditions specified therein replacing or modifying the Terms and Conditions for the purpose of such Series or Tranche of Notes. The Tier 2 Notes respectively rank pari passu among themselves.

The claims of the holders of the Subordinated Notes of each Series (the "**Subordinated Holders**") against LPCorp will:

(i) in the event of the liquidation or bankruptcy of LPCorp; or

(ii) in the event of a Moratorium,

be subordinated to (a) the claims of depositors, (b) unsubordinated claims with respect to the repayment of borrowed money and (c) other unsubordinated claims.

By virtue of such subordination, payments to a Subordinated Holder will, in the event of liquidation or bankruptcy of LPCorp or in the event of a Moratorium with respect to LPCorp, only be made after, and any set-off by a Subordinated Holder shall be excluded until, all obligations of LPCorp resulting from deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims have been satisfied.

Subordination:

Payments in respect of Subordinated Notes will be subordinated as described in Condition 2(b) of the Terms and Conditions of Medium Term Notes.

Rating:

S&P has confirmed the following ratings to this Programme:

- Unsecured and Unsubordinated Notes: BBB+ / A2
representing respectively the long and short term rating.

A S&P issue credit rating is a current opinion of the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial programme (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The issue credit rating is not a recommendation to purchase, sell, or hold a financial obligation, inasmuch as it does not comment as to market price or suitability for a particular investor.

An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Moody's has confirmed the following ratings to this Programme:

- Unsecured and Unsubordinated Notes: A3 / P-2

representing respectively the long and short term rating.

The purpose of Moody's ratings is to provide investors with a simple system of gradation by which relative creditworthiness of securities may be noted. Gradations of creditworthiness are indicated by rating symbols, with each symbol representing a group in which the credit characteristics are broadly the same.

Moody's assigns long-term ratings to individual debt securities issued from medium-term note (MTN) programs, in addition to indicating ratings to MTN programs themselves. Notes issued under MTN programmes with such indicated ratings are rated at issuance at the rating applicable to all *pari passu* notes issued under the same programme, at the programme's relevant indicated rating, provided such notes do not exhibit any of the characteristics listed below:

- Notes containing features that link interest or principal to the credit performance of any third party or parties;
- Notes allowing for negative coupons, or negative principal;
- Notes containing any provision that could obligate the investor to make any additional payments; and
- Notes containing provisions that subordinate the claim.

For notes with any of these characteristics, the rating of the individual note may differ from the indicated rating of the programme.

Fitch has confirmed the following ratings to this Programme:

- Unsecured and Unsubordinated Notes: A- / F2

representing respectively the long and short term rating.

Fitch's credit ratings provide an opinion on the relative ability of an entity to meet financial commitments, such as interest, preferred dividends, repayment of principal, insurance claims or counterparty obligations. Credit ratings are used by investors as indications of the likelihood of receiving their money back in accordance with the terms on which they invested. Fitch's credit ratings cover the global spectrum of corporate, sovereign (including supranational and sub-national), financial, bank, insurance, municipal and other public finance entities and the securities or other obligations they issue, as well as structured finance securities backed by receivables or other financial assets. The rating is not a recommendation or suggestion, directly or indirectly, to buy, sell, make or hold any investment, loan or security or any Issuer. The ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security.

This information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by S&P, Moody's, and Fitch, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Subordinated Notes will be rated as specified in the applicable Final Terms.

Notes issued pursuant to the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the Final Terms. A 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.

Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

- Listing and admission to trading: Application may be made for the Notes as described herein to be issued under the Programme to be admitted to trading on NYSE Euronext in Amsterdam or on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg). The Notes may also be listed on such other regulated or unregulated market(s) as may be agreed between the Issuer and the relevant Dealer in relation to each issue. Unlisted Notes may also be issued. The Final Terms relating to each issue will state whether or not the Notes are to be listed or admitted to trading, as the case may be, and, if so, on which exchanges and/or markets.
- Governing Law: The Notes will be governed by, and construed in accordance with, the laws of The Netherlands.
- Selling Restrictions: There are selling restrictions in relation to the European Economic Area (and also specifically in respect of The Netherlands, Italy, Luxembourg and the United Kingdom), Japan and the United States, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "Subscription and Sale" below.

FORM OF THE NOTES

Each Tranche of Notes will initially be in the form of either a temporary global Note or a permanent global Note, without receipts, interest coupons or talons. Each temporary global Note or, as the case may be, permanent global Note, which is not intended to be issued in new global note ("NGN") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with (i) a depositary or common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system or (ii) be deposited with Euroclear Netherlands. Each global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream Luxembourg.

On 13 June 2006 the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in the European System of Central Banks ("ESCB") credit operations" of the central banking system for the euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The address of Euroclear is 1 Boulevard du Roi Albert II, B.1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy L-1855 Luxembourg and the address of Euroclear Netherlands is Herengracht 459-469, 1017 BS Amsterdam, The Netherlands.

Whilst any Note is represented by a temporary global Note and subject to TEFRA D selling restrictions, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made against presentation of the temporary global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by the relevant clearing system(s) and the relevant clearing system(s) have given a like certification (based on the certifications they have received) to the Agent. Any reference in this section to the relevant clearing system(s) shall mean the clearance and/or settlement system(s) specified in the applicable Final Terms.

On and after the date (the "Exchange Date") which is not less than 40 days nor (if the temporary global Note has been deposited with Euroclear Netherlands) more than 90 days after the date on which the temporary global Note is issued, interests in the temporary global Note will be exchangeable (free of charge), upon request as described therein, either for interests in a permanent global Note without receipts, interest coupons or talons or for definitive Notes (as indicated in the applicable Final Terms) in each case (if the Notes are subject to TEFRA D selling restrictions) against certification of beneficial ownership as described in the second sentence of the preceding paragraph unless such certification has already been given. The holder of a temporary global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the temporary global Note for an interest in a permanent global Note or definitive Notes is improperly withheld or refused.

Pursuant to the Agency Agreement (as defined under "Terms and Conditions of the Notes" below) the Agent shall arrange that, where a temporary global Note representing a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned an ISIN and a common code by Euroclear and Clearstream, Luxembourg which are different from the ISIN and the common code assigned to Notes of any other Tranche of the same Series. Payments of principal and interest (if any) on a permanent global Note will be made through the relevant clearing system(s) against presentation or surrender (as the case may be) of the permanent global Note without any requirement for certification. Definitive Notes will be in the standard euromarket form.

In case of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. So long as such Notes are represented by a Temporary Global Note or Permanent Global Note and the relevant clearing system(s) so permit, these Notes will be tradable only in the minimum Specified Denomination increased with integral multiples of such a smaller amount, notwithstanding that definitive Notes shall only be issued up to, but excluding, twice the minimum Specified Denomination.

A permanent global Note will be exchangeable (free of charge), in whole or (subject to the Notes which continue to be represented by the permanent global Note being regarded by the relevant

clearing system(s) as fungible with the definitive Notes issued in partial exchange for such permanent global Note) in part, in accordance with the applicable Final Terms, for security printed definitive Notes with, where applicable, receipts, interest coupons or coupon sheets and talons attached. Such exchange may be made, as specified in the applicable Final Terms, only upon the occurrence of any Exchange Event.

An "Exchange Event" means (1) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or, if applicable, Euroclear Netherlands 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 no successor clearing system is available or (2) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8 of the Terms and Conditions of Medium Term Notes which would not be required were the Notes represented by the permanent global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 of the Terms and Conditions of Medium Term Notes upon the occurrence of an Exchange Event.

In the event of the occurrence of any Exchange Event, Euroclear and/or Clearstream, Luxembourg and/or Euroclear Netherlands acting on the instructions of any holder of an interest in the global Note may give notice to the Agent requesting exchange and in the event of the occurrence of an Exchange Event as described above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date on which the relevant notice is received by the Agent. Global Notes and definitive Notes will be issued pursuant to the Agency Agreement. At the date hereof, neither Euroclear nor Clearstream, Luxembourg regards Notes in global form as fungible with Notes in definitive form.

In case of Notes represented by a Permanent Global Note deposited with Euroclear Netherlands, on the occurrence of an Exchange Event as described above, an exchange for definitive Notes will only be possible in the limited circumstances as described in the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*) and in accordance with the rules and regulations of Euroclear Netherlands.

The following legend will appear on all global Notes, definitive Notes, receipts and interest coupons (including talons) which are subject to TEFRA D selling restrictions:

"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 of 1986."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or interest coupons. The following legend will appear on all global Notes held in Euroclear Netherlands:

"Notice: This Note is issued for deposit with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("Euroclear Netherlands") at Amsterdam, The Netherlands. Any person being offered this Note for transfer or any other purpose should be aware that theft or fraud is almost certain to be involved".

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10 of the Terms and Conditions of Medium Term Notes of the Notes. In such circumstances, where any Note is still represented by a global Note and a holder of such Note so represented and credited to his account with the relevant clearing system(s) (other than Euroclear Netherlands) gives notice that it wishes to accelerate such Note, unless within a period of 15 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such global Note, holders of interests in such global Note credited to their accounts with the relevant clearing system(s) (other than Euroclear Netherlands) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system(s) (other than Euroclear Netherlands) on and subject to the terms of the relevant global Note. In the case of a global Note deposited with Euroclear Netherlands, the rights of Noteholders will be exercised in accordance with the Securities Giro Transfer Act (*Wet giraal effectenverkeer*).

TERMS AND CONDITIONS OF THE NOTES

1. TERMS AND CONDITIONS OF MEDIUM TERM NOTES

The following are the Terms and Conditions of Notes which will be incorporated by reference into each global Note and which will be endorsed on (or, if permitted by the relevant stock exchange or other relevant authority (if any) and agreed between the Issuer and the relevant Dealer, incorporated by reference into) each definitive Note in the standard euromarket form. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each global Note and definitive Note in the standard euromarket form. Reference should be made to "Form of the Notes" above for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions.

This Note is one of a series of Notes issued by the Issuer named in the Final Terms endorsed on, incorporated by reference into or attached to this Note (the "Issuer" and the "Final Terms", respectively) pursuant to the Agency Agreement (as defined below). References herein to the "Notes" shall be references to the Notes of this Series (as defined below) and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange (or part exchange) for a global Note and (iii) any global Note. The Notes, the Receipts (as defined below) and the Coupons (as defined below) also have the benefit of an Amended and Restated Agency Agreement (such Agency Agreement as further amended and/or supplemented and/or restated from time to time, the "Agency Agreement") dated 20 June 2012 and made, *inter alia*, between the Issuer, Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (the "Agent", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "Paying Agents", which expression shall include any additional or successor paying agents).

Interest bearing definitive Notes in the standard euromarket form (unless otherwise indicated in the Final Terms) have interest coupons ("Coupons") and, if indicated in the Final Terms, talons for further Coupons ("Talons") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Notes in the standard euromarket form repayable in instalments have receipts ("Receipts") for the payment of the instalments of principal (other than the final instalment) attached on issue. Any reference herein to "Noteholders" shall mean the holders of the Notes, and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference herein to "Receiptholders" shall mean the holders of the Receipts and any reference herein to "Couponholders" shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons. Any holders mentioned above include those having a credit balance in the collective depots held by *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("Euroclear Netherlands") or one of its participants.

The Final Terms for this Note are endorsed hereon or attached hereto or incorporated by reference herein and supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References herein to the "applicable Final Terms" are to the Final Terms for this Note.

As used herein, "Tranche" means Notes which are identical in all respects (including as to listing) and "Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects (including as to listing) from the date on which such consolidation is expressed to take effect.

Copies of the Agency Agreement and the applicable Final Terms are available at the specified offices of each of the Agent and the other Paying Agents save that a Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them.

Words and expressions used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. Any amendments to the Terms and Conditions required in connection with such additional or alternative clearing systems shall be specified in the applicable Final Terms.

1. Form, Denomination and Title

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the Specified Currency, the Specified Denomination(s) and the Specified Form(s). This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Share Linked Note, an Index Linked Note, a Fund Linked Note, a Commodity Linked Note, a Currency Linked Note, an Inflation Linked Note, a Dual Currency Note or a combination of any of the foregoing, depending on the Interest Basis shown in the Final Terms.

This Note may be an Instalment Note, a Partly Paid Note, a Share Linked Note, an Index Linked Note, a Fund Linked Note, a Commodity Linked Note, a Currency Linked Note, an Inflation Linked Note, a Dual Currency Note or a combination of any of the foregoing, depending on the Redemption/Payment Basis shown in the applicable Final Terms.

This Note may be a Senior Note or a Subordinated Note, as specified in the applicable Final Terms.

Notes in definitive form are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. For Notes held by Euroclear Netherlands deliveries will be made in accordance with the Dutch Securities Giro Transfer Act ("*Wet giraal effectenverkeer*"). Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and any Paying Agent may deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note held on behalf of Euroclear S.A./N.V. ("Euroclear") and/or Clearstream, Banking, société anonyme ("Clearstream, Luxembourg") each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of 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 any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note which, for so long as the relevant global Note is held by a depositary or common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN, for Euroclear and/or Clearstream, Luxembourg and/or (except in the case of an NGN) any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper (and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly). Notes which are represented by a global Note held by a common depositary for Euroclear or Clearstream, Luxembourg will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be. In case of Notes represented by a permanent global Note deposited with Euroclear Netherlands, a Noteholder shall not have the right to request delivery (*untitling*) of his Notes under the Dutch Securities Giro Transfer Act ("*Wet giraal effectenverkeer*") other than as set out in the global Note and in accordance with the rules and regulations of Euroclear Netherlands.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms but shall not include Euroclear Netherlands.

2. Status of the Notes and Guarantee

(a) Senior Notes

This Condition 2(a) is applicable in relation to Notes specified in the Final Terms as being Senior Notes. The Senior Notes and the relative Receipts and Coupons constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.

(b) *Subordinated Notes*

This Condition 2(b) is applicable in relation to Notes specified in the Final Terms as being Subordinated Notes. The Subordinated Notes of such Series and the relative Receipts and Coupons constitute unsecured and subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law.

The claims of the holders of the Subordinated Notes of this Series and the relative Receipts and Coupons (the "**Subordinated Holders**") against the Issuer are (i) in the event of the liquidation or bankruptcy of the Issuer or (ii) in the event that a competent court has declared that the Issuer is in a situation which requires emergency measures (*noodregeling*) in the interests of all creditors, as referred to in Chapter 3.5.5 of the Dutch Financial Markets Supervision Act, as amended from time to time (*Wet op het financieel toezicht*, the "**FMSA**") and for so long as such situation is in force (such situation being hereinafter referred to as a Moratorium), subordinated to (a) the claims of depositors, (b) unsubordinated claims with respect to the repayment of borrowed money and (c) other unsubordinated claims. By virtue of such subordination, payments to a Subordinated Holder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after, and any set-off by a Subordinated Holder shall be excluded until, all obligations of the Issuer resulting from deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims have been satisfied.

In accordance with the Decree on prudential rules FMSA as amended from time to time (*Besluit Prudentiële regels Wet op het financieel toezicht*, the "**Decree on Prudential Rules FMSA**") to which the Issuer is subject, the Subordinated Notes may qualify as tier 2 capital, i.e. Tier 2 Notes, as specified in the applicable Final Terms and in accordance with such other terms and conditions specified therein replacing or modifying these Terms and Conditions for the purpose of such Series of Notes. The Tier 2 Notes rank *pari passu* among themselves.

3. Negative Pledge (applicable in relation to Senior Notes only)

(a) *Negative pledge of the Issuer*

So long as any Senior Note remains outstanding, the Issuer will not create or permit to subsist any Encumbrance (other than a Permitted Encumbrance) upon the whole or any part of its present or future undertakings, receivables, assets or revenues to secure any Relevant Indebtedness of any person without at the same time or prior thereto securing the Senior Notes equally and rateably therewith or providing such other security for the Senior Notes as may be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

For the purpose of this Condition and for the purpose of Condition 3(b) below:

"Relevant Indebtedness" means any indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock or certificate in physical form which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market;

"Permitted Encumbrance" means an Encumbrance by the Issuer over the whole or any part of their respective receivables, undertaking or assets, present or future, pursuant to any securitisation, mortgage-backed financing, asset-backed financing or other similar financing transaction in accordance with normal market practice whereby (1) the value of the receivables, assets, undertakings subject to such Encumbrance is not greater than is required to allow the securitisation, mortgage-backed financing, asset-backed financing, or similar financing transaction to take place, taking into consideration the nature and performance history of the underlying assets, any rating requirements and prevailing market conditions, and (2) recourse under the Encumbrance is limited to the proceeds of sale, collection or realisation of the specific assets, receivables, undertakings secured by the Encumbrance; and

"Encumbrance" means any mortgage, charge, pledge, lien or other encumbrance.

4. Redenomination

(a) Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear, Clearstream, Luxembourg and, if applicable, Euroclear Netherlands and at least 30 days' prior notice to the Noteholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (i) the Notes and the Receipts shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a principal amount for each Note and Receipt equal to the principal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate provided that, if the Issuer determines, with the agreement of the Agent, that the then market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Agent and other Paying Agents of such deemed amendments;
- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes held (or, as the case may be, in respect of which Coupons are presented for payment) by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (iii) if definitive Notes are required to be issued after the Redenomination Date they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Agent may approve) euro 0.01 and such other denominations as the Agent shall determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "Exchange Notice") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

- (v) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Fixed Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction (as defined in Condition 5(a)), 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 and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount;
- (vii) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and
- (viii) such other changes shall be made to these Conditions as the Issuer may decide, after consultation with the Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro. Any such other changes will not take effect until after they have been notified to the Noteholders in accordance with Condition 14.

(b) *Definitions*

In these Conditions, the following expressions have the following meanings:

"Established Rate" means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

"euro" means the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.;

"Redenomination Date" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

"Treaty" means the Treaty on the functioning of the European Union.

5. **Interest**

"Calculation Agent" means the Calculation Agent so specified in the applicable Final Terms.

(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(s) per annum equal to the Fixed Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Condition, "Fixed Interest Period" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed 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 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 and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount.

"Day Count Fraction" means, in respect of the calculation of an amount of interest in accordance with this Condition 5(a):

- (a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "Accrual Period") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period (y) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and
- (b) if "30/360" is specified in the applicable Final Terms the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

Calculation of interest amount: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount.

In the Conditions:

"Calculation Amount" has the meaning ascribed to it in the relevant Final Terms;

"CGN" means Classic Global Note;

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

"NGN" means New Global Note; and

"sub-unit" means, with respect to any currency other than euro, the lowest amount of such currency that is available as a legal tender in the country of such currency and, with respect to euro, means one cent.

(b) Interest on Floating Rate Notes

Each Floating 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 payable in arrear on either:

- (i) (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or:
- (B) if no Specified Interest Payment Date(s) is/are specified in the Final Terms, each date (each such date, together with each Specified Interest Payment Date, an "Interest Payment Date") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date. Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition, "Business Day" means 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 Amsterdam, London and in any Additional Business Centre specified in the applicable Final Terms; and

- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London or any Additional Business Centre and which if the Specified Currency is Australian dollars shall be Melbourne) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open. In these Conditions, "TARGET System" means (a) until such time as TARGET is permanently closed down and ceases operations, TARGET and TARGET2; and (b) following such time as TARGET is permanently closed down and ceases operations, TARGET 2. "TARGET" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises interlinked national real time gross settlement systems and the European Central Bank's payment mechanism and which began operations on 4 January 1999, and "TARGET 2" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the relevant Final Terms and the provisions below relating to ISDA Determination, Screen Rate Determination or any other method of determination shall apply as specified in the relevant Final Terms.

(A) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (A), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions (as amended and updated as at the Issue Date of the First Tranche of the Notes (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc. or, if so specified in the relevant Final Terms, the 2006 ISDA Definitions (as amended and updated as at the Issue Date of the First Tranche of the Notes (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.) (the "ISDA Definitions") and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is the period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London interbank offered rate (LIBOR) or on the Euro-zone interbank offered rate (EURIBOR), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those terms in the ISDA Definitions. When this subparagraph (A) applies, in respect of each relevant Interest Period the Calculation Agent will be deemed to have discharged its obligations under Condition 5(b)(iv) in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this sub-paragraph (A).

(B) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more 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 Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this subparagraph (B) in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(iii) Minimum and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be less than such Minimum Rate of Interest and/or if it specifies a Maximum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be greater than such Maximum Rate of Interest. Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(iv) Determination of Rate of Interest and Calculation of Interest Amount

The Agent, in the case of Floating Rate 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. The Agent will calculate the amount of interest (each an "Interest Amount") payable on the Floating Rate Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest subunit of the Specified Currency), half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. "Day Count Fraction" means, in respect of the calculation of an amount of interest in accordance with this 5(b) or 5(c):

- (i) if "Actual/Actual (ISDA)" is specified in the applicable 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/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

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

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

where:

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

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

- (c) *Interest on Share Linked Notes, Index Linked Notes, Fund Linked Notes, Commodity Linked Notes, Currency Linked Notes and Inflation Linked Notes*

Share Linked Notes, Index Linked Notes, Fund Linked Notes, Commodity Linked Notes, Currency Linked Notes and Inflation Linked Notes and any other type of Notes, the interest payable in respect of which is linked to one or more Relevant Factor, shall bear interest from

their Interest Commencement Date in accordance with the formula and at the rate or rates per annum as may be specified in the relevant Final Terms. Such interest will be calculated by the Calculation Agent and on the dates specified in the relevant Final Terms (the "Determination Date") and will be payable in arrear on such dates as are specified in the relevant Final Terms and on the date of final maturity of the Notes. The amount of interest payable on any Interest Payment Date (the "Interest Amount") will be calculated in accordance with the terms of the relevant Final Terms.

(d) *Calculation of Interest Amount*

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(e) *Interest on Dual Currency Notes*

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the applicable Final Terms.

(f) *Partly Paid 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 applicable Final Terms.

(g) *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:

- (1) the date on which all amounts due in respect of such Note have been paid; and
- (2) five days after the date on which the full amount of the moneys payable has been received by the Calculation Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 or individually.

(h) *Notification of Rate of Interest and Interest Amount*

This Condition will be applicable (as appropriate) in relation to all Notes which are interest-bearing.

The Agent or, if applicable, the Calculation Agent will cause each Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date, or any other item related to the calculation of interest, determined or calculated by it to be notified to the Agent who will cause them to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 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) 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 Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination. For the purposes of this paragraph, the expression "London Business Day" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

(i) *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 paragraph (b) whether by the 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 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 Agent or the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6. Payments

(a) Method of Payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or 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, shall be Melbourne); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque. Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

(b) Presentation of Notes, Receipts and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest 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 Coupons, in each case at the specified office of any Paying Agent (in the case of any payments to be made in U.S. dollars, outside the United States (as defined below).

Payments of instalments of principal (if any), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note. 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 in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Receipts and Talons (if any) appertaining thereto will become void and no payments in respect of any such Receipts and no further Coupons in respect of any such Talons will be made or issued, as the case may be.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form

becomes due and repayable, unmatured Receipts, Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. Where any such Note is presented for redemption without all unmatured Receipts, Coupons or Talons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require. A "Long Maturity Note" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive 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.

Payments of principal and interest (if any) in respect of 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 such global Note, distinguishing between any payment of principal and any payment of interest, will be made in respect of a CGN on such global Note by such Paying Agent and in respect of an NGN pro rata in the records of Euroclear and Clearstream, Luxembourg. Such record in respect of a CGN shall be prima facie evidence and such records in respect of an NGN shall be conclusive evidence that the payment in question has been made.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note. No person other than the holder of such global Note shall have any claim against the Issuer in respect of any payments due on that global Note.

Notwithstanding the foregoing, U.S. dollar payments of principal and interest in respect of the Notes will be made at the specified office of a Paying Agent in 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)) 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; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(c) *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 the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes (unless otherwise specified in the applicable Final Terms), "Payment Day" means any day which (subject to Condition 9) is both:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) in the case of definitive Notes only: the relevant place of presentation; and
 - (B) any Additional Financial Centre specified in the applicable Final Terms; and
 - (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation (in the case of definitive Notes only) and any Additional Financial Centre and which if the Specified Currency is Australian or New Zealand Dollars shall be Melbourne and Wellington, respectively or (2) in relation to any sum payable in euro, a day on which the TARGET System is open.
- (d) *Interpretation of Principal and Interest*
- Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:
- (i) any additional amounts which may be payable with respect to principal under Condition 8;
 - (ii) the Final Redemption Amount of the Notes;
 - (iii) the Early Redemption Amount of the Notes;
 - (iv) the Optional Redemption Amount(s) (if any) of the Notes;
 - (v) in relation to Instalment Notes, the Instalment Amounts;
 - (vi) in relation to Zero Coupon Notes, the Amortised Face Amount; and
 - (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

7. Redemption and Purchase

(a) At Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date or by instalments in the Instalment Amount(s) and on the Instalment Date(s) specified in the applicable Final Terms (in the case of a Note redeemable in instalments).

(b) Redemption for Tax Reasons

Subject to paragraphs (e) and (k) below and unless otherwise specified in the applicable Final Terms, Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes), on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) if, on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in Condition 8) or any political subdivision or any authority of or in any Relevant Jurisdiction 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.

Each Note redeemed pursuant to this Condition 7(b) will be redeemed at its Early Redemption Amount referred to in paragraph (f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) *Redemption at the Option of the Issuer (Issuer Call)*

If Issuer Call is specified in the applicable Final Terms, the Issuer may subject as provided in paragraphs (e) and (k) below and having given:

- (i) not less than 7 days' notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 7 days before the giving of the notice referred to in (i), notice to the Agent,

(both of which notices shall be irrevocable), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not higher than the Maximum Redemption Amount, both as indicated (if at all) in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("Redeemed Notes") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear, Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount at their discretion) and/or Euroclear Netherlands, in the case of Redeemed Notes represented by a global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "Selection Date"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 7 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this subparagraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

(d) *Redemption of Notes at the Option of the Noteholders (Investor Put)*

If Investor Put is specified in the Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note its holder must, if this Note is in

definitive form and held outside Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands, deliver at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "Put Notice") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg or, if applicable, Euroclear Netherlands, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent and the Paying Agent in Luxembourg of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them or common safekeeper or, if applicable, Euroclear Netherlands to the Agent and the Paying Agent in Luxembourg by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands from time to time and, if this Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to or to the order of the Agent for notation (if applicable) or for a record of such redemption to be made in the records of Euroclear and Clearstream, Luxembourg.

(e) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of a Zero Coupon Note, at an amount (the "Amortised Face Amount") equal to the product of:
 - (A) the Reference Price; and
 - (B) the sum of the figure 1 and the Accrual Yield, raised to the power of x, where "x" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360, or on such other calculation basis as may be specified in the applicable Final Terms; and
- (iii) in any other case, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at their nominal amount.

(f) *Instalments*

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

(g) *Partly Paid Notes*

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

(h) *Purchases*

The Issuer or any of its subsidiaries may (but in the case of Subordinated Notes qualifying as Tier 2 Notes, subject to the prior written consent thereto obtained from DNB) at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, re-issued, resold or, at the option of the purchaser, surrendered to any Paying Agent for cancellation.

(i) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Agent and cannot be re-issued or resold.

(j) *Late Payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) The date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) Five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders, in accordance with Condition 14.

(k) *Redemption of Subordinated Notes*

Redemption of Subordinated Notes of any Series qualifying as Tier 2 Notes is subject to prior written approval from DNB, provided that if the Subordinated Notes cease to qualify as Tier 2 capital, such redemption shall not require the approval of DNB and the Issuer may, but shall not be obliged to, redeem any or all Subordinated Notes on the next succeeding Interest Payment Date at the Early Redemption Amount after having given prior notice to the Noteholders in accordance with Condition 14 of at least 15 days.

8. Taxation

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction or any political subdivision or any authority of or in any Relevant Jurisdiction having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will depending on which provision is specified in the applicable Final Terms either:

- (a) make the required withholding or deduction of such taxes, duties, assessments or governmental charges for the account of the holders of the Notes, Receipts or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts or Coupons; or
- (b) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:
 - (i) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of that Noteholder, Receiptholder or Couponholder having some connection with a Relevant Jurisdiction other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
 - (ii) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
 - (iii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6(c)); or

- (iv) where such withholding or deduction is imposed on a payment to an individual or a residual entity within the meaning of the European Council Directive 2003/48/EC and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (v) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union;

The Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA withholding**") as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA withholding. Neither the Issuer, the Paying Agent nor any other person will be required to pay additional amounts or otherwise indemnify an investor for any such FATCA withholding deducted or withheld by the Issuer, the paying agent or any other party.

As used herein, the "Relevant Date" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

As used herein, "Relevant Jurisdiction" in relation to the Issuer means The Netherlands.

9. Prescription

The Notes, Receipts and Coupons will become void unless claims in respect of principal and /or interest are made within a period of five years after the date on which such payment first became due.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

10. Events of Default

(a) In relation to Senior Notes only, if any one or more of the following events (each an "Event of Default") shall have occurred and be continuing:

- (i) default is made for more than 14 days in the payment of interest or 7 days in the payment of principal in respect of the Notes; or
- (ii) the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer (as the case may be) of notice requiring the same to be remedied; or
- (iii) if
 - (a) any other indebtedness for borrowed money of the Issuer, being indebtedness for borrowed money amounting in aggregate to at least EUR 50,000,000 or its equivalent in any other currency, either:
 - (i) shall become repayable prior to the due date for payment thereof by reason of default by the Issuer; or
 - (ii) shall not be repaid at maturity as extended by any days of grace permitted by law, any provision of the relevant instrument or any agreement of the parties to such instrument; or
 - (b) any guarantee or indemnity given by the Issuer, in respect of a sum amounting in aggregate to at least EUR 50,000,000 or its equivalent in any other currency, in respect of indebtedness for borrowed money of any party shall not be honoured when due and called upon unless remedied by the Issuer within 15 business days of receipt of a written notice from a borrowing party substantiating a default under a borrowing agreement; or

- (iv) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, otherwise than for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction where either:
 - (a) prior consent thereto has been given by an Extraordinary Resolution of the Noteholders; or
 - (b) under which the continuing entity effectively assumes all of the rights and obligations of the Issuer; or
- (v) if:
 - (a) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due; or
 - (b) the Issuer is deemed unable to pay its debts pursuant to or for the purposes of any applicable law in its jurisdiction of incorporation or is adjudicated or found bankrupt or insolvent; or
- (vi) if:
 - (a) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws; or
 - (b) an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or a material part of the undertaking or assets; or
 - (c) an encumbrancer takes possession of the whole or a material part of the undertaking or assets of the Issuer; or
 - (d) a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a material part of the undertaking or assets of the Issuer and in any such case (other than the appointment of an administrator) is not discharged within 14 days; or
- (vii) if:
 - (a) the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganization or other similar laws; or
 - (b) the Issuer makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors); or
 - (c) any meeting is convened to consider a proposal for an arrangement or composition with the creditors generally (or any class of the creditors) of the Issuer;

then any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

(b) In relation to Subordinated Notes, if either or both of the following events shall have occurred and are continuing:

- (i) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, otherwise than for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction where either:
 - (a) prior consent thereto has been given by an Extraordinary Resolution of the Noteholders; or
 - (b) under which the continuing entity effectively assumes all of the rights and obligations of the Issuer; or
- (ii) if the Issuer is declared bankrupt, or a declaration in respect of the Issuer is made under article 3:163(1)(b) of the FMSA,

this will constitute an event of default in respect of Subordinated Notes. Subject to the Issuer obtaining prior written consent from DNB in the case of Subordinated Notes qualifying as Tier 2 Notes, then any Noteholder of Subordinated Notes may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Subordinated Note(s) held by such Noteholder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

11. Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;
- (ii) there will at all times be a Paying Agent with a specified office in a city in continental Europe;
- (iii) there will at all times be an Agent; and
- (iv) there will at all times be a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

13. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

14. Notices

- (a) *Notes in Global Form*: so long as any Tranche of Notes is represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to Noteholders of that Tranche will, save where another means of effective communication has been specified herein or in the applicable Final Terms, be deemed to be validly given if given by delivery of the relevant notice to the clearing system for communication by it to the accountholders in respect of the relevant Notes. If such delivery is not practicable, notices will be deemed to be validly given if published in a leading English language daily newspaper having general circulation in the European Union (which is expected to be the Financial Times). Notices to Noteholders of any Tranche may, at the sole discretion of the Issuer and solely for informational purposes, also be published on the website of the Issuer and/or of any other entity specified in the applicable Final Terms for this purpose.

- (b) *Notes admitted to Listing, Trading and/or Quotation:* so long as any Tranche of Notes is admitted to listing, trading and/or quotation by any competent authority, stock exchange or quotation system, notices to Noteholders of that Tranche will, save where another means of effective communication has been specified herein or in the applicable Final Terms, be deemed to be validly given if:
- (i) in the case a Tranche of Notes admitted to listing and trading on NYSE Euronext in Amsterdam (so long as such Notes are admitted to listing and trading on NYSE Euronext in Amsterdam and any applicable laws, rules or regulations so require), published in such manner as may be required by applicable laws, rules and regulations from time to time; and/or
 - (ii) in the case of a Tranche of Notes admitted to listing, trading and/or quotation by any other competent authority, stock exchange and/or quotation system, if published in such manner as may be required by applicable laws, rules and regulations from time to time;
- (c) *In any other cases:* where both Condition 14(a) and Condition 14(b) are inapplicable, notices will, save where another means of effective communication has been specified herein or in the applicable Final Terms, be deemed to be validly given if published in a leading daily newspaper having general circulation in the European Union (which is expected to be the Financial Times).
- (d) *General*
- For the avoidance of doubt, where both Condition 14(a) and Condition 14(b) apply, notices must be given in the manner specified in Condition 14(a) and in the manner specified in Condition 14(b) in order to be deemed to have been validly given. Any notice given in accordance with Condition 14(a) or Condition 14(b) above will be deemed to have been validly given on the date and time of first such notification (or, if required to be notified in more than one manner, on the first date on which notification shall have been made in all required manners). Couponholders will be deemed for all purposes to have notice of the contents of any notice validly given to Noteholders in accordance with this Condition 14 (*Notices*).
- (e) *Notices by Noteholders*
- Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of Notes in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than five per cent. In nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts and Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

16. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further Notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

17. Governing Law and Submission to Jurisdiction

The Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligation arising out of or in connection thereto, are governed by, and shall be construed in accordance with, the laws of The Netherlands.

The Issuer submits for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders to the jurisdiction of the courts of Amsterdam, The Netherlands, judging in first instance, and its appellate courts. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Notes, the Receipts and the Coupons may be brought in any other court of competent jurisdiction (including any proceedings relating to any non-contractual obligations arising out of or in connection thereto) .

2. TERMS AND CONDITIONS OF SHARE LINKED NOTES

PART A: TERMS AND CONDITIONS OF NOTES LINKED TO A SINGLE SHARE

The terms and conditions applicable to Notes linked to a single share shall comprise the Terms and Conditions of the Medium Term Notes set out in Section 1 above (the "General Conditions") and the additional Terms and Conditions set out below (the "Single Share Linked Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Single Share Linked Conditions, the Single Share Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Single Share Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. A reference in the Single Share Linked Conditions to a Condition shall be a reference to such condition of the Medium Term Notes as amended by the Single Share Linked Conditions.

1 Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or put options and/or call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, on the Maturity Date (subject to the provisions of Conditions 7(l) and 7(m)) the Issuer shall (i) pay the Final Redemption Amount, which shall be an amount payable per Note in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms and/or (ii) (if "Share Delivery" is specified as being applicable in the Final Terms, then in the circumstances described in the Final Terms) deliver the Share Amount(s) (subject to and in accordance with Condition 7(n)), all as further specified in the Final Terms.

2 Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

"Additional Disruption Event" means Change in Law and/or Insolvency Filing.

"Averaging Dates" means each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Change in Law" means that on or after the Issue Date (or as otherwise set forth in the Final Terms) (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 Calculation Agent determines that (X) it has become illegal for the Issuer to hold, acquire or dispose of the Shares, or (Y) the Issuer will incur a materially increased cost in holding, acquiring or disposing of the Shares and/or performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"De-listing" means that the Exchange announces that pursuant to its rules the Shares have ceased (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 such Shares 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) and such Shares are no longer listed on an Exchange acceptable to the Issuer.

"Delivery Day" means, if "Share Delivery" is specified as being applicable in the Final Terms, a day, if any, on which the Shares comprised in the Share Amount(s) may be delivered to the Noteholders in a manner which the Issuer determines to be appropriate.

"Disrupted Day" means any Scheduled Trading Day on which (i) the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

"Disruption Cash Settlement Price" means, if "Share Delivery" is specified as being applicable in the Final Terms, in respect of each Note, an amount in the Specified Currency equal to the fair economic value of the Share Amount, as determined by the Calculation Agent in its sole discretion.

"Early Closure" means the closure on any Exchange Business Day of the Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange or such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange or such Related Exchange on such

Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

"Exchange" means the Exchange specified in the Final Terms or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Shares has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Shares on such successor or substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the Exchange or any such Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of the Shares, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares on any Related Exchange.

"Expiration Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(n).

"Extraordinary Dividend" means, in respect of the Shares, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Issuer.

"Final Share Price" means the price of one Share in the Share Currency quoted on the Exchange at the Valuation Time on the Expiration Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

"Fractional Amount" means, if "Share Delivery" is specified as being applicable in the Final Terms, any fractional interest in one Share to which a Noteholder would be entitled pursuant to Condition 7(n)(iii).

"Fractional Cash Amount" means, in respect of each Noteholder, the amount (rounded to the nearest smallest transferable unit of the Specified Currency, half such a unit being rounded downwards) calculated by the Calculation Agent in accordance with the following formula and translated into the Specified Currency by the Calculation Agent:

$$\text{Fractional Cash Amount} = (\text{Final Share Price} \times \text{Fractional Amount}).$$

"Initial Share Price" means the price of one Share in the Share Currency quoted on the Exchange at the Valuation Time on the Strike Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

"Insolvency" means, in respect of the Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Share Issuer, (A) all the Shares of the Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of the Share Issuer become legally prohibited from transferring them.

"Insolvency Filing" means that the Calculation Agent determines that the Share Issuer has instituted or has had 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.

"Market Disruption Event" means the occurrence or existence on any Scheduled Trading Day 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 relevant Valuation Time or (iii) an Early Closure.

"Merger Date" means, in respect of a Merger Event, the closing date of such Merger Event or, where the Calculation Agent determines that 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 the Shares, any (i) reclassification or change of the Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which the Share Issuer is the continuing entity

and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by the such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a **"Reverse Merger"**), in each case if the Merger Date is on or before the Expiration Date (or such other date as may be specified in the Final Terms).

"Nationalisation" means that all the Shares of the Share Issuer or all or substantially all the assets of the Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"New Shares" means ordinary or common shares, whether of the entity or person (other than the Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date are promptly scheduled to be, (i) publicly quoted, traded or listed 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 of state of the European Union) or on another exchange acceptable to the Issuer and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

"Observation Date" means each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Observation Period" has the meaning ascribed to it in the Final Terms.

"Other Consideration" means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the Share Issuer) involved in the Merger Event or a third party).

"Potential Adjustment Event" means any of the following:

- (i) a subdivision, consolidation or reclassification of the Shares (unless resulting in a Merger Event), or a free distribution or dividend of any Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the Shares of (A) Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of the Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the Share Issuer 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;
- (iv) a call by the Share Issuer in respect of Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its subsidiaries of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) with respect to the Share Issuer, an event that results in any shareholder rights 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) being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the Shares.

"Price" means, in respect of a Share, on any Exchange Business Day, the price of one such Share in the Share Currency quoted on the relevant Exchange (i) if "Constant Monitoring" is specified

as being applicable in the Final Terms, at any given time on such Exchange Business Day or (ii) if "Valuation Time Only" is specified as being applicable in the Final Terms, at the Valuation Time on such Exchange Business Day, all as determined by the Calculation Agent.

"Related Exchange" means 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 the Shares, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Shares has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Shares on such temporary substitute exchange or quotation system as on the original Related Exchange).

"Scheduled Closing Time" means, in respect of the Exchange or a Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of the 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 any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions.

"Settlement Disruption Event" means, if "Share Delivery" is specified as being applicable in the Final Terms, an event determined by the Calculation Agent to be beyond the control of the Issuer as a result of which the Issuer cannot transfer (or it would be contrary to applicable laws and regulations for the Issuer to transfer) the Shares comprised in the Share Amount(s) in accordance with the terms and conditions of the Notes.

"Share Amount" has the meaning ascribed to it in the Final Terms.

"Share Currency" has the meaning ascribed to it in the Final Terms.

"Share Delivery Date" has the meaning ascribed to it in the Final Terms.

"Share Issuer" has the meaning ascribed to it in the Final Terms.

"Shares" has the meaning ascribed to it in the Final Terms.

"Strike Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Strike Price" means the price (if any) specified as such in the Final Terms.

"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% and less than 100% of the outstanding voting shares of the Share 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.

"Tender Offer Date" means, in respect of a Tender Offer, the date on which voting shares in an amount determined by the Calculation Agent are actually purchased or otherwise obtained (as determined by the Calculation Agent).

"Trading Disruption" means any suspension of or limitation imposed on trading by the Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or such Related Exchange or otherwise (i) relating to the Shares on the Exchange or (ii) in futures or options contracts relating to the Shares on a Related Exchange.

"Valuation Time" means the Scheduled Closing Time on the Exchange on the relevant date. If the Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 7(l)) the Valuation Time shall be such actual closing time.

3 Disrupted Days

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(l) as follows:

"(l) Disrupted Days

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date or any Observation Date, as the case may be, in respect of the Shares is a Disrupted Day, then the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, 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 original date that, but for the determination by the Issuer of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, is a Disrupted Day. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, in respect of the Shares, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the price of one Share as its good faith estimate of the price of one Share that would have prevailed, but for the occurrence of a Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Disrupted Day has occurred on the Expiration Date and/or on any Observation Date or Averaging Date, payment of the Final Redemption Amount and/or any amount of interest (if the payment of interest is share-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period as specified in the Final Terms) following the postponed Expiration Date, Observation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount and/or any amount of interest in accordance with this Condition 7(l).

The Issuer shall give notice to the Noteholders, in accordance with Condition 14, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes.

4 Adjustments

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(m) as follows:

"(m) Adjustments, Consequences of Certain Events and Currency

(i) Adjustments

If the Calculation Agent determines that a Potential Adjustment Event has occurred or that there has been an adjustment to the settlement terms of listed contracts on the Shares traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment(s), if any, to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the terms and conditions of the Notes as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividend, stock loan rate or liquidity) and (b) determine the effective date(s) of the adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the Shares traded on that options exchange.

(ii) Consequences of a Merger Event

If the Calculation Agent determines that a Merger Event has occurred, the Issuer may:

- (a) redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the Merger Date, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms), on such date as the Issuer may notify to Noteholders in accordance with Condition 14; and/or
- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Merger Event (provided that no adjustments will be made to solely account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in

respect of such Merger Event by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment; and/or

- (c) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the "Shares" and the "Share Issuer", respectively, and if the Calculation Agent determines to be appropriate, the Issuer will adjust any relevant terms of the Notes as it may determine.

The Issuer shall give notice of such redemption, adjustment or deemed change to Noteholders in accordance with Condition 14.

(iii) Consequences of a Tender Offer

If the Calculation Agent determines that a Tender Offer has occurred, then on or after the relevant Tender Offer Date the Issuer may:

- (a) redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the Tender Offer Date, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms), on such date as the Issuer may notify to Noteholders in accordance with Condition 14; and/or
- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment.

The Issuer shall give notice of such redemption or adjustment to Noteholders in accordance with Condition 14.

(iv) Nationalisation, Insolvency or De-listing

If in respect of the Shares or the Share Issuer the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Issuer may (i) request the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the other terms and conditions of the Notes to account for the Nationalisation, Insolvency or De-listing, as the case may be, and determine the effective date of that adjustment or (ii) redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Nationalisation, Insolvency or De-listing, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms). Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(v) Change of Exchange

If the Exchange is changed, the Issuer may make such consequential modifications to the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes as it may deem necessary.

(vi) Price Correction

In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the Exchange within three Business Days (or such other period specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(vii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or the currency in which any of the Shares are quoted, listed and/or dealt in on the Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes as it deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(viii) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms). Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(ix) Change in currency

If, at any time after the Issue Date, there is any change in the currency in which the Shares are quoted, listed and/or dealt on the Exchange, then the Issuer will adjust such of the terms and conditions of the Notes as the Calculation Agent determines 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 Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Notes."

5 Delivery of Share Amount

For the purposes of the Notes, if "Share Delivery" is specified as being applicable in the Final Terms, Condition 7 shall be amended by the addition of a new Condition 7(n) as follows:

"(n) *Delivery of Share Amounts:*

(i) Delivery of Share Amounts

If the Notes are to be redeemed by the delivery of the Share Amounts, the Issuer shall, on the Share Delivery Date, deliver or procure the delivery of the Share Amount in respect of each Note to such account in such clearing system as may be specified by the relevant Noteholder, at the risk and expense of the relevant Noteholder. If a Noteholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer to effect any required delivery of Shares, the due date for such delivery shall be postponed accordingly. The Issuer shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, "delivery" in relation to any Share Amount means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Share Amount and "deliver" shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of such Share Amount once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition of the Shares comprising the Share Amount or any interest therein by any Noteholder or any other person.

In respect of each Share comprising the Share Amount, the Issuer shall not be under any obligation to register or procure the registration of the Noteholder or any other person as the registered shareholder in any register of members of the Share Issuer.

Noteholders should note that the actual date on which they become holders of the Shares comprising their Share Amount will depend, among other factors, on the procedures of the relevant clearing systems and any share registrar and the effect of any Settlement Disruption Events.

The Issuer shall not at any time be obliged to account to a Noteholder for any amount or

entitlement that it receives by way of a dividend or other distribution in respect of any of the Shares. Dividends and distributions in respect of the Shares which constitute a Potential Adjustment Event may however result in an adjustment being made pursuant to Condition 7(m).

Neither the Issuer nor any other person shall (a) be under any obligation to deliver (or procure any other person to deliver) to the Noteholders or any other person any letter, certificate, notice, circular or any other document received by that person in its capacity as the holder of the Shares, (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to the Shares or (c) be under any liability to the Noteholders or any subsequent beneficial owners of the Shares in respect of any loss or damage which any Noteholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being registered at any time as the legal owner of the Shares.

(ii) Settlement Disruption

If the Issuer determines that delivery of any Share Amount in respect of any Note by the Issuer in accordance with the terms and conditions of the Notes is not practicable or permitted by reason of a Settlement Disruption Event subsisting, then the Share Delivery Date in respect of such Share Amount shall be postponed to the first following Delivery Day in respect of which no such Settlement Disruption Event is subsisting and notice thereof shall be given in accordance with Condition 14, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering or procuring the delivery of such Share Amount using such other commercially reasonable manner as it may select and in such event the Share Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of such Share Amount in such other commercially reasonable manner. No Noteholder shall be entitled to any payment whether of interest or otherwise on such Note in the event of any delay in the delivery of the Share Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

Where a Settlement Disruption Event affects some but not all of the Shares comprising the Share Amount, the Share Delivery Date for the Shares comprising such Share Amount which are not affected by the Settlement Disruption Event will be the originally designated Share Delivery Date.

For so long as delivery of the Share Amount in respect of any Note is not practicable or permitted 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 each Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price on the third Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 14. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14.

The Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 if a Settlement Disruption Event has occurred.

(iii) Aggregate Share Amount

The aggregate Share Amount to which a Noteholder may be entitled will be determined on the basis of the separate (for the avoidance of doubt, not aggregate) number of Notes held by the relevant Noteholder. The Issuer shall not be obliged to deliver fractions of a Share but shall be obliged to account for the Fractional Cash Amount of any such fractions to the relevant Noteholder on the Share Delivery Date and each such Share Amount to be delivered shall be rounded down to the next integral number of Shares."

6 Prescription

For the avoidance of doubt, Condition 9 shall apply to the Notes and claims for delivery of any Share Amount in respect of the Notes shall become void upon the expiry of five years from the Share Delivery Date.

PART B: TERMS AND CONDITIONS OF NOTES LINKED TO A BASKET OF SHARES

The terms and conditions applicable to Notes linked to a basket of shares shall comprise the Terms and Conditions of Medium Term Notes set out in Section 1 above (the "General Conditions") and the additional Terms and Conditions set out below (the "Basket Share Linked Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Basket Share Linked Conditions, the Basket Share Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Basket Share Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. A reference in the Basket Share Linked Conditions to a Condition shall be a reference to such condition of the Medium Term Notes as amended by the Basket Share Linked Conditions.

1 Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or put options and/or call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, on the Maturity Date (subject to the provisions of Conditions 7(l) and 7(m)) the Issuer shall (i) pay the Final Redemption Amount, which shall be an amount payable per Note in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms and/or (if "Share Delivery" is specified as being applicable in the Final Terms, then in the circumstances described in the Final Terms) (ii) deliver the Share Amount(s) (subject to and in accordance with Condition 7(n)), all as further specified in the Final Terms.

2 Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

"Additional Disruption Event" means Change in Law and/or Insolvency Filing.

"Averaging Dates" means, in respect of a Share, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Basket" means a basket composed of Shares in the relative proportions and/or numbers of Shares of each Share Issuer specified in the Final Terms.

"Change in Law" means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (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 Calculation Agent determines that (X) it has become illegal for the Issuer to hold, acquire or dispose of any Shares, or (Y) the Issuer will incur a materially increased cost in holding, acquiring or disposing of any Shares and/or performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"De-listing" means that an Exchange announces that pursuant to its rules one or more of the Shares in the Basket has ceased (or will cease) to be listed, traded or publicly quoted on the relevant Exchange for any reason (other than a Merger Event or Tender Offer) and such Shares are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and such Shares are no longer listed on an Exchange acceptable to the Issuer.

"Delivery Day" means, if "Share Delivery" is specified as being applicable in the Final Terms, a day, if any, on which Shares comprised in any Share Amount(s) may be delivered to the Noteholders in a manner which the Calculation Agent determines to be appropriate.

"Disrupted Day" means, in respect of a Share, any Scheduled Trading Day on which (i) the relevant Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

"Disruption Cash Settlement Price" means, if "Share Delivery" is specified as being applicable in the Final Terms, in respect of each Note, an amount in the Specified Currency equal to the fair economic value of the relevant Share Amount, as determined by the Calculation Agent in its

sole discretion.

"Early Closure" means, in respect of a Share, the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or such Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or such Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

"Exchange" means, in respect of a Share, the Exchange specified for such Share in the Final Terms or otherwise the stock exchange on which such Share is, in the determination of the Issuer, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such successor or substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the relevant Exchange or any relevant Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of a Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, such Share on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"Expiration Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(n).

"Extraordinary Dividend" means, in respect of a Share, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Issuer.

"Final Share Price" means, in respect of a Share, the price of one such Share in the Share Currency quoted on the relevant Exchange at the Valuation Time on the Expiration Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

"Fractional Amount" means, if "Share Delivery" is specified as being applicable in the Final Terms, any fractional interest in one Share to which a Noteholder would be entitled pursuant to Condition 7(n)(iii).

"Fractional Cash Amount" means, in respect of each Noteholder, the amount (rounded to the nearest smallest transferable unit of the Specified Currency, half such a unit being rounded downwards) calculated by the Calculation Agent in accordance with the following formula and translated into the Specified Currency by the Calculation Agent:

$$\text{Fractional Cash Amount} = (\text{Final Share Price} \times \text{Fractional Amount}).$$

"Initial Share Price" means, in respect of a Share, the price of one such Share in the Share Currency quoted on the relevant Exchange at the Valuation Time on the Strike Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

"Insolvency" means, in respect of a Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting such Share Issuer, (A) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"Insolvency Filing" means, in respect of a Share, that the Calculation Agent determines that the relevant Share Issuer has instituted or has had 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.

"Market Disruption Event" means the occurrence or existence on any Scheduled Trading Day 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 relevant Valuation Time or (iii) an Early Closure.

"Merger Date" means, in respect of a Merger Event, the closing date of such Merger Event or, where the Calculation Agent determines that 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 one or more of the Shares in the Basket, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the relevant Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by the such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer or its subsidiaries with or into another entity in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a **"Reverse Merger"**), in each case if the Merger Date is on or before the Expiration Date (or such other date as may be specified in the Final Terms).

"Nationalisation" means that all the Shares of a Share Issuer or all or substantially all the assets of such Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"New Shares" means ordinary or common shares, whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date are promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member of state of the European Union) or on another exchange acceptable to the Issuer and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

"Observation Date" means each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(I).

"Observation Period" has the meaning ascribed to it in the Final Terms.

"Other Consideration" means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party).

"Potential Adjustment Event" means any of the following:

- (i) a subdivision, consolidation or reclassification of one or more of the Shares in the Basket (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of one or more of the Shares in the Basket of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the relevant Share Issuer equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the relevant Share Issuer 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;
- (iv) a call by a Share Issuer in respect of relevant Shares that are not fully paid;

- (v) a repurchase by a Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) with respect to a Share Issuer, an event that results in any shareholder rights 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) being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of one or more of the Shares in the Basket.

"Price" means, in respect of a Share, on any Exchange Business Day, the price of one such Share in the Share Currency quoted on the relevant Exchange (i) if "Constant Monitoring" is specified as being applicable in the Final Terms, at any given time on such Exchange Business Day or (ii) if "Valuation Time Only" is specified as being applicable in the Final Terms, at the Valuation Time on such Exchange Business Day, all as determined by the Calculation Agent.

"Related Exchange" means, in respect of a Share, 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 Share or such other options or futures exchange(s) as the Issuer may select, any transferee exchange or quotation system or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share 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 Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

"Scheduled Closing Time" means, in respect of an Exchange or a 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, in respect of a Share, any day on which the relevant Exchange and each relevant Related Exchange is scheduled to be open for trading for its regular trading sessions.

"Settlement Disruption Event" means, if "Share Delivery" is specified as being applicable in the Final Terms, in respect of a Share, an event determined by the Calculation Agent to be beyond the control of the Issuer as a result of which the Issuer cannot transfer (or it would be contrary to applicable laws and regulations for the Issuer to transfer) the Shares comprised in the Share Amount(s) in accordance with the terms and conditions of the Notes.

"Share Amount" has the meaning ascribed to it in the Final Terms.

"Share Currency" has the meaning ascribed to it in the Final Terms.

"Share Delivery Date" has the meaning ascribed to it in the Final Terms.

"Share Issuer" has the meaning ascribed to it in the Final Terms.

"Shares" has the meaning ascribed to it in the Final Terms.

"Strike Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Strike Price" means the price (if any) specified as such in the Final Terms.

"Tender Offer" means, in respect of any Shares, 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% and less than 100% of the outstanding voting shares of the relevant Share 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.

"Tender Offer Date" means, in respect of a Tender Offer, the date on which voting shares in

an amount determined by the Calculation Agent are actually purchased or otherwise obtained (as determined by the Calculation Agent).

"Trading Disruption" means, in respect of a Share, any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or such Related Exchange or otherwise (i) relating to such Share on such Exchange or (ii) in futures or options contracts relating to such Share on a Related Exchange.

"Valuation Time" means the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to that Share. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 7(l)) the Valuation Time shall be such actual closing time.

3 Disrupted Days

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(l) as follows:

"(l) Disrupted Days

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date or any Observation Date, as the case may be, is a Disrupted Day in respect of a Share, then the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, in respect of that Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of that Share, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Issuer of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date or such Observation Date for such Share, as the case may be, is a Disrupted Day. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, for such Share notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the price of one such Share as its good faith estimate of the price of one such Share that would have prevailed, but for the occurrence of a Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Disrupted Day has occurred on the Expiration Date and/or on any Observation Date or Averaging Date, payment of the Final Redemption Amount and/or any amount of interest (if the payment of interest is share-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period as specified in the Final Terms) following the postponed Expiration Date, Observation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount and/or any amount of interest in accordance with this Condition 7(l).

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 14, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes."

4 Adjustments

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(m) as follows:

"(m) Adjustments, Consequences of Certain Events and Currency

- (i) Adjustments

If the Calculation Agent determines that a Potential Adjustment Event has occurred in respect of one or more of the Shares in the Basket or that there has been an adjustment to the settlement terms of listed contracts on one or more of the Shares in the Basket traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (a) make the corresponding adjustment(s), if any, to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the terms and conditions of the Notes as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividend, stock loan rate or liquidity) and (b) determine the effective date(s) of the adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the relevant Shares traded on that options exchange.

(ii) Consequences of a Merger Event

If the Calculation Agent determines that a Merger Event has occurred in respect of one or more of the Shares in the Basket, the Issuer may:

- (a) redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the Merger Date, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms), on such date as the Issuer may notify to Noteholders in accordance with Condition 14; and/or
- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Merger Event (provided that no adjustments will be made to solely account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the relevant Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment; and/or
- (c) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the relevant "Shares" and the relevant "Share Issuer", respectively, and if the Calculation Agent determines to be appropriate, the Issuer will adjust any relevant terms of the Notes as it may determine.

The Issuer shall give notice of such redemption, adjustment or deemed change to Noteholders in accordance with Condition 14.

(iii) Consequences of a Tender Offer

If the Calculation Agent determines that a Tender Offer has occurred in respect of one or more of the Shares in the Basket, then on or after the relevant Tender Offer Date the Issuer may:

- (a) redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the Tender Offer Date, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms), on such date as the Issuer may notify to Noteholders in accordance with Condition 14; and/or

- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment.

The Issuer shall give notice of such redemption or adjustment to Noteholders in accordance with Condition 14.

(iv) Nationalisation, Insolvency or De-listing

If in respect of one or more of the Shares in the Basket or a Share Issuer the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Issuer may (i) request the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the other terms and conditions of the Notes to account for the Nationalisation, Insolvency or De-listing, as the case may be, and determine the effective date of that adjustment or (ii) redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Nationalisation, Insolvency or De-listing, less the costs to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms). Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(v) Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes as it may deem necessary.

(vi) Price Correction

In the event that any price or level published on an Exchange and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the relevant Exchange within three Business Days (or such other period as may be specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(vii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or the currency in which any of the Shares are quoted, listed and/or dealt in on the Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes as it deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(viii) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred in respect of one or more of the Shares in the Basket, the Issuer may redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms). Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(ix) Change in currencies

If, at any time after the Issue Date, there is any change in the currency in which the Shares are quoted, listed and/or dealt on the Exchange, then the Issuer will adjust such of the terms and conditions of the Notes as the Calculation Agent determines 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 Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Notes.

5 Delivery of Share Amount

For the purposes of the Notes, if "Share Delivery" is specified as being applicable in the Final Terms, Condition 7 shall be amended by the addition of a new Condition 7(n) as follows:

"(n) Delivery of Share Amounts:

(i) Delivery of Share Amounts

If the Notes are to be redeemed by the delivery of the Share Amounts, the Issuer shall, on the Share Delivery Date, deliver or procure the delivery of the Share Amount in respect of each Note to such account in such clearing system as may be specified by the relevant Noteholder, at the risk and expense of the relevant Noteholder. If a Noteholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer to effect any required delivery of Shares, the due date for such delivery shall be postponed accordingly. The Issuer shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, "delivery" in relation to any Share Amount means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Share Amount and "deliver" shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of such Share Amount once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition of the Shares comprising the Share Amount or any interest therein by any Noteholder or any other person.

In respect of each Share comprising the Share Amount, the Issuer shall not be under any obligation to register or procure the registration of the Noteholder or any other person as the registered shareholder in any register of members of the relevant Share Issuer.

Noteholders should note that the actual date on which they become holders of the Shares comprising their Share Amount will depend, among other factors, on the procedures of the relevant clearing systems and any share registrar and the effect of any Settlement Disruption Events.

The Issuer shall not at any time be obliged to account to a Noteholder for any amount or entitlement that it receives by way of a dividend or other distribution in respect of any of the Shares. Dividends and distributions in respect of the Shares which constitute a Potential Adjustment Event may however result in an adjustment being made pursuant to Condition 7(m).

Neither the Issuer nor any other person shall (a) be under any obligation to deliver (or procure any other person to deliver) to the Noteholders or any other person any letter, certificate, notice, circular or any other document received by that person in its capacity as the holder of the Shares, (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to the Shares or (c) be under any liability to the Noteholders or any subsequent beneficial owners of the Shares in respect of any loss or damage which any Noteholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being registered at any time as the legal owner of the Shares.

(ii) Settlement Disruption

If the Issuer determines that delivery of any Share Amount (or part thereof) in respect of any Note by the Issuer in accordance with the terms and conditions of the Notes is not practicable or permitted by reason of a Settlement Disruption Event subsisting, then the Share Delivery Date in respect of such Share Amount (or part thereof) shall be postponed to the first following Delivery Day in respect of which no such Settlement Disruption Event is subsisting and notice thereof shall be given in accordance with Condition 14, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering or procuring the delivery of such Share Amount (or part thereof) using such other commercially reasonable manner as it may select and in such event the Share Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of such Share Amount (or part thereof) in such other commercially reasonable manner. No Noteholder shall be entitled to any payment whether of interest or otherwise on such Note in the event of any delay in the delivery of the Share Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

Where a Settlement Disruption Event affects some but not all of the Shares comprising the Share Amount, the Share Delivery Date for the Shares comprising such Share Amount which are not affected by the Settlement Disruption Event will be the originally designated Share Delivery Date.

For so long as delivery of the Share Amount (or part thereof) in respect of any Note is not practicable or permitted 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 each Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price on the third Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 14. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14.

The Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 if a Settlement Disruption Event has occurred.

(iii) **Aggregate Share Amount**

The aggregate Share Amount to which a Noteholder may be entitled will be determined on the basis of the separate (for the avoidance of doubt, not aggregate) number of Notes held by the relevant Noteholder. The Issuer shall not be obliged to deliver fractions of a Share but shall be obliged to account for the Fractional Cash Amount of any such fractions to the relevant Noteholder on the Share Delivery Date and each such Share Amount to be delivered shall be rounded down to the next integral number of Shares."

6 Prescription

For the avoidance of doubt, Condition 9 shall apply to the Notes and claims for delivery of any Share Amount in respect of the Notes shall become void upon the expiry of five years from the Share Delivery Date.

3. TERMS AND CONDITIONS OF INDEX LINKED NOTES

PART A: TERMS AND CONDITIONS OF NOTES LINKED TO A SINGLE INDEX

The terms and conditions applicable to Notes linked to a single index shall comprise the Terms and Conditions of Medium Term Notes set out in Section 1 above (the "General Conditions") and the additional Terms and Conditions set out below (the "Single Index Linked Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Single Index Linked Conditions, the Single Index Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Single Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. A reference in the Single Index Linked Conditions to a Condition shall be a reference to such condition of the Medium Term Notes as amended by the Single Index Linked Conditions.

1 Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or put options and/or call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, for the purposes of Condition 7(a) the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Condition 7(l) and 7(m)) shall be an amount in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms.

2 Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

"Additional Disruption Event" means a Change in Law.

"Averaging Dates" means, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(m).

"Change in Law" means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (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 Calculation Agent determines that the Issuer will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Disrupted Day" means any Scheduled Trading Day on which (i) if "Multi-Exchange Index" is specified in the Final Terms, the Index Sponsor fails to publish the level of the Index or, if "Non Multi-Exchange Index" is specified in the Final Terms, the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

"Early Closure" means the closure on any Exchange Business Day of the relevant Exchange(s) or Related Exchange(s), if any, prior to its/their Scheduled Closing Time unless such earlier closing time is announced by the relevant Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day.

"Exchange(s)" means, if "Non Multi-Exchange Index" is specified in the Final Terms, the Exchange specified in the Final Terms or, if "Multi-Exchange Index" is specified in the Final Terms, in respect of any securities comprised in the Index, the stock exchanges (from time to time) on which in the determination of the Issuer such securities are listed for the purposes of such Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means any Scheduled Trading Day on which the relevant

Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding such relevant Exchange or any such relevant 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 (i) to effect transactions in, or obtain market values for, if "Multi-Exchange Index" is specified in the Final Terms, any security comprised in the Index on any relevant Exchange or, if "Non Multi-Exchange Index" is specified in the Final Terms, securities that comprise 20 per cent or more of the level of the Index on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Index on any relevant Related Exchange.

"Expiration Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Index" means the index specified in the Final Terms, or any Successor Index.

"Index Cancellation" means the Index Sponsor cancels the Index and no Successor Index exists.

"Index Disruption" means the Index Sponsor fails to calculate and announce the Index Level.

"Index Level" means, on any relevant Scheduled Trading Day, the official closing level of the Index, as calculated and published by the Index Sponsor.

"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 Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent securities and capitalisation and other routine events).

"Index Sponsor" means either (x) the index sponsor specified in the Final Terms or such other corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person or (y) if no such index sponsor is specified in the Final Terms, then the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person.

"Market Disruption Event" means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Calculation Agent determines in its sole discretion is material at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, provided that, if "Multi-Exchange Index" is specified in the Final Terms, the securities comprised in the Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Issuer, in aggregate to 20 per cent. or more of the level of the Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

"Observation Date" means each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Observation Period" has the meaning ascribed to it in the Final Terms.

"Related Exchange" means each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts

relating to the 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 the Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

"Scheduled Closing Time" means in respect of the relevant Exchange(s) or a Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of the relevant Exchange(s) or such 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 (i) if "Multi-Exchange Index" is specified in the Final Terms, any day on which the Index Sponsor is scheduled to publish the level of the Index and each Related Exchange is scheduled to be open for trading for its regular trading session and (ii) if "Non Multi-Exchange Index" is specified in the Final Terms, any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

"Strike Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Strike Price" means the price (if any) specified as such in the Final Terms.

"Successor Index" means where the 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 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 Index, such successor index or index calculated and announced by the successor sponsor.

"Trading Disruption" means any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or the relevant Related Exchange or otherwise (i) if "Multi-Exchange Index" is specified in the Final Terms, on any relevant Exchange(s) relating to any security comprised in the Index or, if "Non Multi-Exchange Index" is specified in the Final Terms, on the Exchange relating to securities that comprise 20 per cent or more of the level of the Index, or (ii) in futures or options contracts relating to the Index on a Related Exchange.

"Valuation Time" means the Scheduled Closing Time on the relevant date. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 7(l)) the Valuation Time shall be such actual closing time.

3 Disrupted Days

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(l) as follows:

"(l) Disrupted Days

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date or any Observation Date, as the case may be, in respect of the Index is a Disrupted Day, then the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, 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 original date that, but for the determination by the Issuer of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, is a Disrupted Day. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, in respect of the Index, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the Index Level on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or, if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day).

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a

Disrupted Day has occurred on the Expiration Date and/or any Observation Date or Averaging Date, payment of the Final Redemption Amount any/or any amount of interest (if the payment of interest is index-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period specified in the Final Terms) following the postponed Expiration Date, Observation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount and/or any amount of interest in accordance with this Condition 7(l).

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 14, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes."

4 Adjustments, Consequences of Certain Events and Currency

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(m) as follows:

"(m) Adjustments and Currency

(i) Index Modification, Index Cancellation and/or Index Disruption

If the Calculation Agent determines that an Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to the Final Redemption Amount and/or any other relevant term of the Notes, the Issuer may make any adjustment or adjustments to the Final Redemption Amount and/or any other relevant term of the Notes as it deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(ii) Change of Exchange

If the or an Exchange is changed, the Issuer may make such consequential modifications to any of the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes as it may deem necessary.

(iii) Price Correction

In the event that any price or level published on the relevant Exchange(s) or by the Index Sponsor and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the relevant Exchange(s) or Index Sponsor(s) within three Business Days (or such other period specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(iv) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes as it deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(v) Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms). Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14."

5 Index Disclaimer

The Notes are not sponsored, endorsed, sold or promoted by the Index or the Index Sponsor and the Index Sponsor has made no representation whatsoever, whether express or implied, either as to the

results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. The Index Sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Neither the Issuer nor the Calculation Agent has any affiliation with or control over the Index or the Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Issuer and the Calculation Agent will obtain information concerning the Index from publicly available sources they believe to be reliable, they will not independently verify this information. Accordingly, unless set out in the Final Terms, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.

PART B: TERMS AND CONDITIONS OF NOTES LINKED TO A BASKET OF INDICES

The terms and conditions applicable to Notes linked to a basket of indices shall comprise the Terms and Conditions of Medium Term Notes set out in Section 1 above (the "General Conditions") and the additional Terms and Conditions set out below (the "Basket Index Linked Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Basket Index Linked Conditions, the Basket Index Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Basket Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. A reference in the Basket Index Linked Conditions to a Condition shall be a reference to such condition of the Medium Term Notes as amended by the Basket Index Linked Conditions.

1 Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or put options and/or call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, for the purposes of Condition 7(a) the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Condition 7(l) and 7(m)) shall be an amount in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms.

2 Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

"Additional Disruption Event" means a Change in Law.

"Averaging Dates" means, in respect of an Index, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day in respect of the relevant Index, the next following Scheduled Trading Day in respect of that Index, in each case subject to Condition 7(l).

"Basket" means a basket composed of the Indices specified in the Final Terms.

"Change in Law" means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (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 Calculation Agent determines that the Issuer will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Disrupted Day" means, in respect of an Index, any Scheduled Trading Day on which (i) if "Multi-Exchange Index" is specified in the Final Terms, the relevant Index Sponsor fails to publish the level of the relevant Index or, if "Non Multi-Exchange Index" is specified in relation to that Index in the Final Terms, the relevant Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

"Early Closure" means, in respect of an Index, the closure on any Exchange Business Day of any relevant Exchange(s) or Related Exchange(s) prior to its/their Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day.

"Exchange(s)" means, in respect of an Index, if "Non Multi-Exchange Index" is specified in relation to that Index in the Final Terms, the Exchange specified for such Index in the Final Terms and, if "Multi-Exchange Index" is specified in relation to that Index in the Final Terms, in respect of any securities comprised in such Index, the stock exchanges (from time to time) on which in the determination of the Issuer such securities are listed for the purposes of such Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the relevant Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the

original Exchange).

"Exchange Business Day" means, in respect of an Index, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time.

"Exchange Disruption" means, in respect of an Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, (x) if "Multi-Exchange Index" is specified in relation to that Index in the Final Terms any security comprised in such Index on any relevant Exchange and (y) if "Non Multi-Exchange Index" is specified in relation to that Index in the Final Terms, securities that comprise 20 per cent. or more of the level of such Index on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange.

"Expiration Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Index" means one of the indices specified in the definition of Basket or any Successor Index, and "Indices" means all such indices together.

"Index Cancellation" means, in respect of an Index, the Index Sponsor in respect of such Index cancels the Index and no Successor Index exists.

"Index Disruption" means, in respect of an Index, the Index Sponsor in respect of such Index fails to calculate and announce the Index Level.

"Index Level" means, in respect of an Index, on any relevant Scheduled Trading Day, the official closing level of the relevant Index, as calculated and published by the relevant Index Sponsor.

"Index Modification" means, in respect of an Index, the relevant 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 such Index or in any other way materially modifies such Index (other than a modification prescribed in that formula or method to maintain such Index in the event of changes in constituent securities and capitalisation and other routine events).

"Index Sponsor" means, in respect of an Index, either (x) the index sponsor specified in the Final Terms or such other corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day failing whom such person acceptable to the Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person or (y) if no such index sponsor is specified in the Final Terms, then the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person.

"Market Disruption Event" means, in respect of an Index, the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Calculation Agent determines in its sole discretion is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, provided that, if "Multi-Exchange Index" is specified in relation to that Index in the Final Terms, the securities comprised in the relevant Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Issuer, in aggregate to 20 per cent. or more of the level of such Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the relevant Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based on a comparison of (x) the portion of the level of the relevant Index attributable to that security and (y) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

"Observation Date" means, in respect of an Index, each date, if any, specified as such in the Final Terms or, if any such date is not a Scheduled Trading Day in respect of such Index, the next

following such Scheduled Trading Day, in each case subject to Condition 7(l).

"Observation Period" has the meaning ascribed to it in the Final Terms.

"Related Exchange" means, in respect of an Index, each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such 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 the relevant Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

"Scheduled Closing Time" means in respect of an Exchange or a Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or such 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, in respect of an Index, (i) if "Multi-Exchange Index" is specified in relation to that Index in the Final Terms, any day on which the relevant Index Sponsor is scheduled to publish the level of such Index and each Related Exchange is scheduled to be open for trading for its regular trading session and (ii) if "Non Multi-Exchange Index" is specified in relation to that Index in the Final Terms, any day on which each relevant Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

"Strike Date" means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 7(l).

"Strike Price" means the price (if any) specified as such in the Final Terms.

"Successor Index" means, in respect of an Index, where such Index is (i) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Issuer or (ii) replaced by a successor index using, in the determination of the Issuer, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Index, such successor index or index calculated and announced by the successor sponsor.

"Trading Disruption" means, in respect of an Index, any suspension of or limitation imposed on trading by a relevant Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or relevant Related Exchange or otherwise (i) if "Multi-Exchange Index" is specified in relation to that Index in the Final Terms, on any relevant Exchange(s) relating to any security comprised in the relevant Index or, if "Non Multi-Exchange Index" is specified in relation to that Index in the Final Terms, on the Exchange relating to securities that comprise 20 per cent or more of the level of the relevant Index, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange.

"Valuation Time" means the Scheduled Closing Time on the relevant date. If a relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 7(l)) the Valuation Time shall be such actual closing time.

3 Disrupted Days

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(l) as follows:

"(l) Disrupted Days

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date or any Observation Date, as the case may be, is a Disrupted Day in respect of an Index, then the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, for such Index shall be the first succeeding Scheduled Trading Day in respect of such Index that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Issuer of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, is a Disrupted Day for such Index. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date or such Observation Date, as the case may be, for such Index, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the Index Level of such Index on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the relevant Index (or, if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day).

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Disrupted Day has occurred in respect of an Index on the Expiration Date and/or any Observation Date or Averaging Date, payment of the Final Redemption Amount and/or amount of interest (if the payment of interest is index-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period specified in the Final Terms) following the postponed Expiration Date, Observation Date or Averaging Date, as the case may be, in respect of the Indices. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount and/or any amount of interest in accordance with this Condition 7(l).

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 14, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes."

4 Adjustments, Consequences of Certain Events and Currency

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(m) as follows:

"(m) Adjustments and Currency

- (i) Index Modification, Index Cancellation and/or Index Disruption

If the Calculation Agent determines that, in respect of any Index, an Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to the Final Redemption Amount and/or any other relevant term of the Notes, the Issuer may make any adjustment or adjustments to the Final Redemption Amount and/or any other relevant term of the Notes as it deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

- (ii) Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes as it may deem necessary.

- (iii) Price Correction

In the event that any price or level published on any relevant Exchange or by any relevant Index Sponsor in respect of an Index and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the relevant Exchange or the relevant Index Sponsor within three Business Days (or such other period as specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(iv) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes as it deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(v) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may redeem each Note at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the Final Terms). Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14."

5 Index Disclaimer

The Notes are not sponsored, endorsed, sold or promoted by any of the Indices or any of the Index Sponsors and none of the Index Sponsors has made any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the relevant Index and/or the levels at which any such Index stands at any particular time on any particular date or otherwise. None of the Index Sponsors shall be liable (whether in negligence or otherwise) to any person for any error in any relevant Index and none of the Index Sponsors are under any obligation to advise any person of any error therein. The Index Sponsors have made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by any Index Sponsor in connection with the calculation, adjustment or maintenance of any Index. Neither the Issuer nor the Calculation Agent has any affiliation with or control over any of the Indices or any of the Index Sponsors or any control over the computation, composition or dissemination of the Indices. Although the Issuer and the Calculation Agent will obtain information concerning the Indices from publicly available sources they believe to be reliable, they will not independently verify this information. Accordingly, unless set out in the Final Terms, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning any Index.

4. TERMS AND CONDITIONS OF FUND LINKED NOTES

The terms and conditions applicable to Fund Linked Notes shall comprise the Terms and Conditions of Medium Term Notes set out in Section 1 above (the "General Conditions"), and the additional Terms and Conditions set out below (the "Fund Linked Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Fund Linked Conditions, the Fund Linked Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Fund Linked Conditions; and (ii) the Final Terms, the Final Terms shall prevail. A reference in the Fund Linked Conditions to a Condition shall be a reference to such condition of the Medium Term Notes as amended by the Fund Linked Conditions.

1 Final Redemption

Notwithstanding Condition 7(a), unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer (subject to the provisions of Conditions 7(l) and 7(m), and this section 1 of these Fund Linked Conditions) as its Final Redemption Amount on the Maturity Date.

If the Final Redemption Receipt Date falls on or after the Latest Permissible Receipt Date, then the Issuer may, notwithstanding Condition 7(l), postpone the payment of the Final Redemption Amount to the date that is that number of Business Days equal to the Settlement Period following the Final Redemption Receipt Date. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment.

For the purposes of this section 1 of these Fund Linked Conditions:

"Averaging Dates" means, in respect of the Calculation Determination Date, each of the dates specified as such in the applicable Final Terms, in each case subject to adjustment in accordance with the Fund Business Day Convention and Condition 7(l).

"Final Redemption Amount" means an amount in the Specified Currency determined by the Calculation Agent as specified in the applicable Final Terms.

"Final Price" means:

- (a) if "Single Price" is specified as the Final Price in the applicable Final Terms, the Price on the Observation Date; or
- (b) if "Average Price" is specified as the Final Price in the applicable Final Terms, the arithmetic mean of the Prices for each Averaging Date.

"Final Redemption Receipt Date" means the date on which a holder of a Fund Interest would have received the proceeds of a redemption of such Fund Interest deemed to have been submitted for redemption on or as soon as reasonably practicable after the Observation Date or final Averaging Date, as the case may be, all as determined by the Calculation Agent.

"Fund" means the entity, collective investment scheme, fund, trust, partnership or similar arrangement or undertaking specified as such in the applicable Final Terms, or any Replacement Fund.

"Fund Interest" means a unit, share, partnership interest, or other similar direct interests in a Fund that entitles the holder of such interest to a share in the net assets of that Fund, as specified as such in the applicable Final Terms, or such relevant interests in any Replacement Fund as determined by the Calculation Agent in accordance with section 6 of these Fund Linked Conditions below.

"Initial Price" means:

- (a) if a particular amount is specified as the Initial Price in the applicable Final Terms, the amount specified as such; or
- (b) if "Strike Price" is specified as the Initial Price in the applicable Final Terms, the Price on the Strike Date as determined by the Calculation Agent.

"Latest Permissible Receipt Date" means, in respect of any payment, the date that falls the Settlement Period before the Maturity Date.

"Observation Date" means the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the Fund Business Day Convention and Condition 7(l).

"Price" means, on any Fund Business Day, the price of one Fund Interest in the Specified Currency as at that Fund Business Day (subject to the provisions of Condition 7(l)), which shall be

equal to the available official net asset value of a Fund per Fund Interest for that Fund Business Day, as either notified to the Calculation Agent by the relevant Fund Manager or published by or on behalf of such Fund, less any applicable costs, expenses or taxes that would be incurred by a holder of a Fund Interest in redeeming such Fund Interest, determined by the Calculation Agent; provided that if an Investing Entity either makes an investment in, or redeems, Fund Interests as of such Fund Business Day at a price per Fund Interest that is different from the one so notified or published, the net price per Fund Interest at which such investment or redemption is effected shall be treated as the Price.

"Settlement Period" means seven Business Days (or such other number of Business Days as specified in the applicable Final Terms).

"Strike Date" means the date specified as such in the applicable Final Terms, subject to adjustment in accordance with the Fund Business Day Convention and Condition 7(l).

All other terms shall have the meanings given to them in section 2 of these Fund Linked Conditions below.

2 Early Redemption provisions

Notwithstanding Conditions 7(f) and 10 if (a) the Calculation Agent determines that an Early Redemption Event has occurred or is continuing, the Calculation Agent shall forthwith give notice as soon as reasonably practicable to the Noteholders in accordance with Condition 10, and each Note shall fall due for redemption on the Early Redemption Date at its Early Redemption Amount, or (b) for the purposes of Condition 10, an Event of Default occurs and is continuing and a Note held by a Noteholder is declared to be due and payable, the same shall become due and payable on the Early Redemption Date at its Early Redemption Amount.

Any notice to Noteholders in respect of such a payment shall specify the expected date of that payment, which date shall be confirmed by the Issuer in a later separate notice to Noteholders.

For the purposes of this section 2 of these Fund Linked Conditions:

"Associated Costs" means an amount per Note equal to the *pro rata* share (on the basis of the principal amount of the Note and the aggregate principal amount of all Notes which have not been redeemed or cancelled as at the date for early redemption) of the total amount of any and all costs associated or incurred by the Issuer in connection with such early redemption including, without limitation, any costs associated with unwinding any hedge positions relating to the Notes and any costs associated with any market disruption, all as determined by the Calculation Agent.

"Early Redemption Amount" means, in respect of each Note, an amount in euro equal to the fair economic value of such Note less the Associated Costs, with such fair economic value being determined on the Receipt Date (taking into account the occurrence of the Early Redemption Event or Event of Default, as the case may be), as determined by the Calculation Agent by reference to such factor(s) as it may deem appropriate.

"Early Redemption Date" means the Business Day falling that number of Business Days equal to the Settlement Period following the Early Redemption Receipt Date.

"Early Redemption Event" means:

- (a) an event as described in Condition 7(b); and
- (b) a determination by the Issuer pursuant to section 6 of these Fund Linked Conditions below.

"Early Redemption Receipt Date" means the date on which a holder of a Fund Interest would have received the proceeds of a redemption of such Fund Interest deemed to have been made on or as soon as reasonably practicable after the date, either (a) in the case of an Early Redemption Event, notice of redemption of the Notes given to the Noteholders or, if no such date is specified, on which such notice is given or (b) in the case of an Event of Default, on which the Notes are declared due and payable, all as determined by the Calculation Agent.

3 Definitions

For the purposes of the General Conditions and the Fund Linked Conditions, the following terms shall have the meanings set out below:

"Affiliate" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

"Applicable Fund Centres" has the meaning set out in the applicable Final Terms.

"Calculation Determination Date" means the Business Day (or such number of Business Days as specified in the applicable Final Terms) following the date on which the Price for the Observation Date or final Averaging Date, as the case may be, is either notified, published or (if the proviso to the definition of "Price" applies) the Final Redemption Receipt Date.

"Disrupted Day" means any Fund Business Day on which a Market Disruption Event has occurred.

"Fund Business Day" means 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 Applicable Fund Centres.

"Fund Business Day Convention" means as specified in the applicable Final Terms, where:

- (a) **"Following"** means if the relevant day is not a Fund Business Day such day shall be postponed to the next day which is a Fund Business Day;
- (b) **"Modified Following"** means if the relevant day is not a Fund Business Day such day shall be postponed to the next day which is a Fund Business Day unless it would thereby fall into the next calendar month, in which event such day shall be brought forward to the immediately preceding Fund Business Day; and
- (c) **"Preceding"** means if the relevant day is not a Fund Business Day such day shall be brought forward to the immediately preceding Fund Business Day.

"Fund Manager" means (a) the person specified as such in the applicable Final Terms, (b) any other person responsible from time to time for notifying the holders of Fund Interests of the relevant net asset value of the Fund or Fund Interests, or (c) the relevant manager or person as described in (b) above in respect of any Replacement Fund as determined by the Calculation Agent in accordance with section 6 of these Fund Linked Conditions below.

"Fund Rules" means, with respect to a Fund, the terms of the bye-laws and other associated documentation relating to such Fund and any other rules or regulations relating to such Fund and the relevant Fund Interests (including any prospectus in respect of such) existing on the Issue Date of the Notes, including its investment guidelines and restrictions.

"Hedge Counterparty" means any party to a contract with the Issuer or any of its Affiliates under which the Issuer obtains a derivative exposure to Fund Interests and includes hedge counterparties of such hedge counterparties.

"Investing Entity" means the Issuer, any Affiliate of the Issuer or any Hedge Counterparty that holds, redeems or subscribes Fund Interests.

"Market Disruption Event" means, in respect of a Fund Business Day, the occurrence or continuation, as determined by the Calculation Agent, of:

- (a) a failure or postponement that is, in the determination of the Calculation Agent, material by a Fund Manager to publish the official net asset value of a Fund per Fund Interest in respect of that Fund Business Day (provided that such Fund Business Day is a day for which such official net asset value is scheduled to be published); or
- (b) 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 Rules)); or
- (c) a postponement or failure of a 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 Rules).

"Valid Date" means a Fund Business Day which the Calculation Agent determines is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

4 Disrupted Days

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(l) as follows:

"(l) Disrupted Days

If the Calculation Agent determines that the Strike Date, Observation Date or (subject as

provided below) any Averaging Date, as the case may be, in respect of the Fund Interests is a Disrupted Day, then the Strike Date, Observation Date or such Averaging Date, as the case may be, shall be the first succeeding Fund Business Day that is not a Disrupted Day, unless each of the Fund Business Days falling in the Disrupted Period is a Disrupted Day. In that case:

- (a) that final Fund Business Day of the Disrupted Period shall be deemed to be the Strike Date, the Observation Date or such Averaging Date, as the case may be, in respect of the Fund Interests, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the price of one Fund Interest as its good faith estimate of the price of one Fund Interest that would have prevailed, but for the occurrence of a Disrupted Day, on that final Fund Business Day of the Disrupted Period.

If the Calculation Agent determines that any Averaging Date is a Disrupted Day, then if under Averaging Date Disruption in the Final Terms the consequence specified is:

- (i) "Omission", then such Averaging Date shall be deemed not to be an Averaging Date for the purposes of determining the Final Price. If through the operation of this provision no Averaging Date would occur, then the provisions above will apply for the purposes of determining the relevant Price for the final Averaging Date as if such final Averaging Date were a Disrupted Day;
- (ii) "Postponement", then the provisions above will apply for the purposes of determining the relevant Price for that Averaging Date as if such Averaging Date were 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
- (iii) "Modified Postponement", then 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 relevant Price for that Averaging Date with its good faith estimate of the Price that would have prevailed, but for the occurrence of a Disrupted Day, on that deemed Averaging Date.

Notwithstanding the provisions of Condition 7, if the Calculation Agent determines that the Calculation Determination Date for any payment falls after the Latest Permissible Determination Date, such payment shall be postponed to the date that is the number of Business Days equal to the Settlement Period, following the Calculation Determination Date. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 14, of any delay that results in the postponement of any payment in respect of the Notes."

For the purpose of this Condition 7(l):

"Cut-off Period" means the Disrupted Period or such different number of Fund Business Days as specified in the applicable Final Terms.

"Disrupted Period" means the period comprising the number of Fund Business Days specified as such in the applicable Final Terms, commencing on (and including) the day immediately following the original date that, but for the determination by the Issuer of the occurrence of a Disrupted Day, would have been the Strike Date, the Observation Date or such Averaging Date, as the case may be."

"Latest Permissible Determination Date" means, in respect of any payment, the date that falls the number of Business Days equal to the Settlement Period before the relevant payment falls due.

5 Adjustments

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(m) as follows:

"(m) Adjustments

If the Calculation Agent determines that, in respect of a Fund, a Corporate Event has occurred or is continuing, the Calculation Agent will (a) make the corresponding adjustment(s), if any, to any one or more of the Redemption Amount, the Early Redemption Amount (if any) and/or any of the terms and conditions of the Notes as the Calculation Agent determines appropriate to account for the dilutive or concentrative effect on the value of Fund Interests and (b) determine the effective date(s) of

the adjustment(s). The Issuer shall give notice of such adjustment to Noteholders in accordance with Condition 14."

6 Inclusion Conditions and Substitution Events

If at any time the Calculation Agent determines that an applicable Substitution Event has occurred or is continuing with respect to a Fund, the Calculation Agent may either (a) as soon as is practicable after such determination, replace such Fund for the purposes of the Notes with an appropriate alternative fund (a "Replacement Fund"), as determined by the Calculation Agent and following any such replacement, the Calculation Agent may make any adjustments to the terms and conditions of the Notes as it deems appropriate to reflect such replacement or (b) determined that the Notes shall become due for redemption in accordance with section 2 of these Fund Linked Conditions above.

A Substitution Event is applicable in respect of the Notes if it is so specified in the Final Terms, where such term so specified shall have the following meaning. If no Substitution Event is specified, then no Substitution Event will be deemed to have been specified. If one or more Substitution Events are specified, only the Substitution Events specified will apply:

"Audit Event" means the making of any reservation in an audit report of a Fund by the auditor of that Fund that is, in the determination of the Calculation Agent, material;

"Charging Change" means the increase of, or introduction by a Fund of (a) a bid/offer spread or (b) charges for subscription or redemption orders made by an Investing Entity, for Fund Interests in addition to any such spread or charge specified in the Fund Rules as applicable on the Issue Date;

"Corporate Event" means a declaration by or on behalf of a Fund of:

- (i) a subdivision, consolidation, reclassification or distribution of the relevant Fund Interests which has a diluting or concentrative effect on the theoretical value of such Fund Interests;
- (ii) a (1) dividend (including cash, and whether ordinary or extraordinary), (2) distribution or (3) issue of the relevant Fund Interests, capital, securities, rights or other assets or interests to existing holders of the relevant Fund Interests that has or is likely to have an effect on the value of such Fund Interest; or
- (iii) a call by a Fund in respect of the relevant Fund Interests that are not fully paid;

"Cross-contamination" means any cross-contamination or other failure by a Fund to effectively segregate assets between the different classes of Fund Interests and different classes, series or compartments of that Fund;

"Currency Change" means the currency in which (a) Fund Interests are denominated or (b) the net asset value of a Fund is calculated, is no longer the currency specified in the Fund Rules;

"Distribution In-kind" means a redemption of Fund Interests in the form of a distribution of non-cash assets;

"Fund Constitution Breach" means any failure to observe any of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Calculation Agent, material;

"Fund Constitution Change" means any modification of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Calculation Agent, material;

"Fund Rules Breach" means any failure of the Fund Manager of a Fund to comply with any terms set out in the Fund Rules of that Fund;

"Fund Strategy Breach" means any failure to observe any of the investment objectives, policies or strategy of a Fund that is, in the determination of the Calculation Agent, material;

"Fund Strategy Change" means any modification of the investment objectives, policies or strategy of a Fund that is, in the determination of the Calculation Agent, material;

"Fund Tax Event" means any changes in the regulatory, tax, accounting and/or any other treatment applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Issuer;

"Hedging Event" means the Issuer is unable, or would incur an increased cost (compared with that on the Issue Date), to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of, in such size and upon such timing as it determines appropriate, any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the

Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) upon such timing and in such form as it determines appropriate, whether or not in accordance with the Fund Rules;

"Investor Tax Event" means any changes in the regulatory, tax, accounting and/or any other treatment applicable to the holder of Fund Interests, which could have an economic or legal or regulatory impact for such holder;

"Litigation Event" means the commencement or continuation of litigation involving a Fund, Fund Manager or other service provider of that Fund that is, in the determination of the Calculation Agent, material;

"Management Change" means the occurrence of any event or the making of any changes affecting the structure of a Fund, its management, its material service providers, its reputation or solvency and/or the structure of, or rights attaching to, any shares in the capital of a Fund, which, in the reasonable opinion of the Calculation Agent is likely to have a significant impact on the value of the Fund Interests of such Fund, whether immediately or later;

"Mandatory Disposal" means any event or circumstance (whether or not imposed by the Fund, or in accordance with the Fund Rules) that obliges the holder of Fund Interests to sell or otherwise dispose of such Fund Interests;

"Market Event" means any crisis in the major financial markets such that the holding, trading or managing of an investment in a Fund is impracticable, inadvisable or materially altered;

"NAV Suspension" means suspension of the calculation or publication of the net asset value of a Fund, or failure by its Fund Manager, its administrator or any relevant entity duly appointed in that respect to deliver when due any relevant report detailing the net asset value of that Fund;

"Performance Failure" means any failure of the Fund Manager, administrator and/or the custodian (and/or other relevant service provider, as determined by the Calculation Agent) of a Fund to perform any of its material obligations under the Fund Rules or the liquidation, termination of appointment or resignation of the Fund Manager, administrator, custodian and/or a relevant service provider of such Fund;

"Potential Regulatory Event" means an investigation into the activities of a Fund, its Fund Manager, its custodian and/or its administrator being launched, or such activities being placed under review, in each case by their respective regulatory authorities or other competent body, for reason of alleged wrong-doing, alleged breach of any rule or regulation, or other similar reason;

"Redemption Failure" means a holder of Fund Interests would be unable to receive redemption payments in respect of such Fund Interests;

"Regulatory Event" means the winding-up, the closure or the termination of a Fund or the cancellation of the approval or registration of a Fund or its Fund Manager (or any successor thereto) by any relevant regulatory authority;

"Subscription/Redemption Alteration" means any subscription or redemption orders with respect to Fund Interests are not executed as described in the Fund Rules for that Fund;

"Subscription/Redemption Restriction" means any suspension of, or any restriction on, the acceptance of subscriptions or redemptions for Fund Interests or any limitation imposed on such subscription or redemptions (whether or not in accordance with the Fund Rules); or

"Transfer Restriction" means suspension of, or any restriction on, the ability of a holder of Fund Interests to transfer any such Fund Interests, other than in accordance with the Fund Rules.

5. TERMS AND CONDITIONS OF INFLATION LINKED NOTES

The terms and conditions applicable to Inflation Linked Notes shall comprise the Terms and Conditions of Medium Term Notes set out in Section 1 above (the "General Conditions") and the additional Terms and Conditions set out below (the "Inflation Linked Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Inflation Linked Conditions set out below, the Inflation Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Inflation Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. A reference in the Inflation Linked Conditions to a Condition shall be a reference to such condition of the Medium Term Notes as amended by the Inflation Linked Conditions.

1 Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or put options and/or call options set forth in the relevant Final Terms not having occurred prior to the Maturity Date or any other applicable date specified in the Final Terms, for the purposes of Condition 7(a) the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Conditions 7(l), 7(m) and 7(n)) shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with the formula specified in the relevant Final Terms.

2 Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

"Averaging Date(s)" means, if Averaging Dates is specified as applicable in the relevant Final Terms, each of the dates specified as such in the relevant Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms.

"AUD – Non-revised Consumer Price Index (CPI)" means the "Non-revised Index of Consumer Prices for Weighted Average of Eight Capital Cities: All – Groups Index before Seasonal Adjustment", or relevant Successor Index, measuring the rate of inflation in Australia, expressed as an index and published by the relevant Index Sponsor.

"Base Level" means the Index Level (whether definitive or provisional) 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 Index Level is being determined.

"BLG – Non-revised Harmonised Consumer Price Index (HICP)" means the "Non-revised Harmonised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor.

"BRL – Non-revised Consumer Price Index (IPCA)" means the "Non-revised Extensive National Consumer Price Index", or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor.

"BRL – Non-revised Price Index (IGP-M)" means the "IGP-M General Price Index", or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor.

"CAD – Non-revised Consumer Price Index (CPI)" means the "Non-revised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Canada, expressed as an index and published by the relevant Index Sponsor.

"Change in Law" means that, on or after the earlier of the Strike Date and Issue Date, as applicable, (or as otherwise set forth in the relevant Final Terms) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that it will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Cut-Off Date" means, in respect of a Determination Date, the number of Business Days specified in the relevant Final Terms prior to such Determination Date.

"DEK – Non-revised Consumer Price Index (CPI)" means the "Non-revised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Denmark, expressed as an index and published by the relevant Index Sponsor.

"Delayed Index Level Event" means, in respect of any Determination Date, that the Index Sponsor fails to publish or announce the level of the Index (the **"Relevant Level"**) 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 such Determination Date, at any time prior to the Cut-Off Date.

"DEM – Non-revised Consumer Price Index (CPI)" means the "Non-revised All Items Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Germany, expressed as an index and published by the relevant Index Sponsor.

"Determination Date" means the Strike Date, the Expiration Date, any Averaging Date, any Observation Date, the Maturity Date or any other date designated in the relevant Final Terms.

"ESP – Harmonised-Non-revised Consumer Price Index (HCPI)" means the "Non-revised Harmonised Index of Consumer Prices including Tobacco", or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor.

"ESP – Harmonised-Revised Consumer Price Index (HCPI)" means the Harmonised Index of Consumer Prices including Tobacco", or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor.

"ESP – National-Non-revised Consumer Price Index (CPI)" means the "Non-revised Index of Consumer Prices including Tobacco", or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor.

"ESP – National-Revised Consumer Price Index (CPI)" means the "Year on Year Revised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Spain, expressed as an annual percentage and published by the relevant Index Sponsor.

"EUR – All Items-Non-revised Consumer Price Index" means the "Non-revised Harmonised Index of Consumer Prices All Items", or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the relevant Index Sponsor.

"EUR – All Items-Revised Consumer Price Index" means the "Revised Harmonised Index of Consumer Prices All Items", or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the relevant Index Sponsor.

"EUR – Excluding Tobacco-Non-revised Consumer Price Index" means the "Non-revised Index of Consumer Prices excluding Tobacco", or relevant Successor Index, measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by the relevant Index Sponsor.

"Expiration Date" means the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms.

"FRC – Excluding Tobacco-Non-Revised Consumer Price Index" means the "Non-revised Index of Consumer Prices excluding Tobacco", or relevant Successor Index, measuring the rate of inflation in France excluding tobacco expressed as an index and published by the relevant Index Sponsor.

"GBP – Non-revised Retail Price Index (UKRPI)" means the "Non-revised Retail Price Index in the United Kingdom", or relevant Successor Index, measuring the rate of inflation in the United Kingdom expressed as an index and published by the relevant Index Sponsor.

"GRD – Harmonised-Non-revised Consumer Price Index (HICP)" means the "Non-revised Harmonised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor.

"GRD – Non-revised Consumer Price Index (CPI)" means the "Non-revised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor.

"Index" means the index specified in the relevant Final Terms, or any Successor Index.

"Index Cancellation" means a level for the 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 Level" means the level of the Index or any Substitute Index Level.

"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 Index or in any other

way materially modifies the Index.

"Index Sponsor" means either (x) the index sponsor specified in the Final Terms or such other corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person or (y) if no such index sponsor is specified in the Final Terms, then the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person.

"IRL – Non-revised Consumer Price Index (CPI)" means the "Consumer Price Index-All Items", or relevant Successor Index, measuring the rate of inflation in Ireland, expressed as an index and published by the relevant Index Sponsor.

"ISK – Harmonised Consumer Price Index (HICP)" means the "Non-revised Harmonised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor.

"ISK – Non-revised Consumer Price Index (CPI)" means the "Non-revised Consumer Price Index", or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor.

"ITL – Inflation for Blue Collar Workers and Employees-Excluding Tobacco Consumer Price Index" means the "Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) senza tabacchi", or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

"ITL – Inflation for Blue Collar Workers and Employees-Including Tobacco Consumer Price Index" means the "Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) con tabacchi", or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

"ITL – Whole Community – Excluding Tobacco Consumer Price Index" means the "Indice nazionale dei prezzi al consumo per l'intera collettività (NIC) senza tabacchi" or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

"ITL – Whole Community – Including Tobacco Consumer Price Index" means the "Indice nazionale dei prezzi al consumo per l'intera collettività (NIC) con tabacchi", or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

"JPY – Non-revised Consumer Price Index Nationwide General Excluding Fresh Food (CPI)" means the "Non-revised Consumer Price Index Nationwide General Excluding Fresh Food", or relevant Successor Index, measuring the rate of inflation excluding fresh food in Japan, expressed as an index and published by the relevant Index Sponsor.

"KRW – Non-revised Consumer Price Index (CPI)" means the "Non-revised Consumer Price Index", or relevant Successor Index, measuring the rate of inflation in South Korea, expressed as an index and published by the relevant Index Sponsor.

"Latest Level" means the latest Index Level (whether definitive or provisional) published or announced by the Index Sponsor prior to the Reference Month in respect of which the Substitute Index Level is being determined.

"MXN – Non-revised Consumer Price Index (CPI)" means the "Non-revised Consumer Price Index", or relevant Successor Index, measuring the rate of inflation in Mexico, expressed as an index and published by the relevant Index Sponsor.

"MXN – Unidad de Inversion Index (UDI)" means the "Unidad de Inversion Index", or relevant Successor Index, reporting the daily peso value of an Unidad de Inversion (an "UDI"), expressed as an index and published by the relevant Index Sponsor.

"NLG – Harmonised-Non-revised Consumer Price Index (HICP)" means the "Non-revised Harmonised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in The Netherlands, expressed as an index and published by the relevant Index Sponsor.

"NZD – Non-revised Consumer Price Index (CPI)" means the "Non-revised Consumer Price Index", or relevant Successor Index, measuring the rate of inflation in New Zealand, expressed as an index and published by the relevant Index Sponsor.

"Observation Date" means, if specified as applicable in the relevant Final Terms, each date, if any, set forth in the relevant Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms.

"Observation Period" has the meaning ascribed to it in the relevant Final Terms.

"PLN – Non-revised Consumer Price Index (CPI)" means the "Non-revised Price Indices of Consumer Goods and Services", or relevant Successor Index, measuring the rate of inflation in Poland, expressed as an index and published by the relevant Index Sponsor.

"Rebased Index" has the meaning given to it in Condition 7(m)(iv).

"Reference Level" means the Index Level (whether definitive or provisional) 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 level of the Index was reported, regardless of when this information is published or announced. If the period for which the Index Level was reported is a period other than a month, the Reference Month shall be the period for which the Index Level was reported.

"Related Bond" means, if specified as applicable in the relevant Final Terms, means the bond specified as such in the relevant Final Terms.

"Related Bond Redemption Event" means, if specified as applicable in the relevant Final Terms, at any time prior to the Maturity Date, (i) the Related Bond is redeemed, repurchased or cancelled, (ii) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason, or (iii) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity.

"Relevant Level" has the meaning given to it in the definition of Delayed Index Level Event.

"SEK – Non-revised Consumer Price Index (CPI)" means the "Non-revised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in Sweden, expressed as an index and published by the relevant Index Sponsor.

"Successor Index" has the meaning given to it in Condition 7(n).

"Substitute Index Level" means, in respect of a Delayed Index Level Event, the index level determined by the Issuer in accordance with Condition 7(l).

"USA – Non-revised Consumer Price Index – Urban (CPI-U)" means the "Non-revised index of Consumer Prices for All Urban Consumers (CPI-U) before seasonal adjustment", or relevant Successor Index, measuring the rate of inflation in the United States expressed as an index and published by the relevant Index Sponsor.

"ZAR – Non-revised Consumer Price Index (CPI)" means the "Non-revised Index of Consumer Prices", or relevant Successor Index, measuring the rate of inflation in South Africa, expressed as an index and published by the relevant Index Sponsor.

"ZAR – Non-revised Consumer Price Index Excluding Mortgages (CPIX)" means the "Non-revised Index of Consumer Prices excluding Mortgage", or relevant Successor Index, measuring the rate of inflation excluding mortgages in South Africa, expressed as an index and published by the relevant Index Sponsor.

3 Delay in Publication

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(l) as follows:

"(l) Delay in Publication

If the Calculation Agent determines that a Delayed Index Level Event has occurred with respect to any Determination Date, then the Index Level 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 Index Level") shall be determined by the Calculation Agent (subject to Condition 7(m)(ii)) as follows:

- (i) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or
- (ii) if (I) Related Bond is specified as not applicable in the relevant Final Terms, or (II) the Calculation Agent is not able to determine a Substitute Index Level under (i) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

$$\text{Substitute Index Level} = \text{Base Level} \times (\text{Latest Level/Reference Level}); \text{ or}$$
- (iii) in accordance with any formula specified in the relevant Final Terms.

The Issuer shall promptly give notice to the holders of the Notes in accordance with Condition 14 of any Substitute Index Level."

4 Successor Index

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(n) as follows:

"(n) Successor Index

If the Calculation Agent determines that the level of an 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 the Index Sponsor announces that it will no longer publish or announce the Index but that it will be superseded by a replacement Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement Index is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the Index, such replacement index shall be designated a "Successor Index";
- (ii) if (i) above does not apply and if Related Bond is specified as applicable in the 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 a "Successor Index"; or
- (iii) if (i) above does apply and if Related Bond is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred, the Calculation Agent shall determine an appropriate alternative index and such index will be deemed a "Successor Index"; or
- (iv) if the Calculation Agent determines that neither (i), (ii) nor (iii) above apply, 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 holders of the Notes by the Issuer in accordance with Condition 14".

5 Adjustments

For the purposes of the Notes, Condition 7 shall be amended by the addition of a new Condition 7(m) as follows:

"(m) Adjustments and Currency

(i) Successor Index

If a Successor Index is determined in accordance with Condition 7(n), the Issuer may make any adjustment or adjustments (without limitation) to the final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes as the Calculation Agent deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(ii) Substitute Index Level

If the Calculation Agent determines a Substitute Index Level in accordance with Condition 7(n), the Issuer may make any adjustment or adjustments (without limitation) to (I) the Substitute Index Level determined in accordance with Condition 7(l) and/or (II) the Final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes, in each case, as the Calculation Agent deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(iii) Index Level Adjustment Correction

- (I) The first publication or announcement of the Index Level (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Condition 7(m)(iii)(II) below, 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 ESP-National-Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Index Level which are published or announced up to and including the day that is two Business Days prior to any relevant Determination Date will be valid and the revised Index Level for the relevant Reference Month will be deemed to be the final and conclusive Index Level for such Reference Month. The Issuer shall give notice to the holders of the Notes of any valid revision in accordance with Condition 14.

- (II) If, within thirty days of publication or at any time prior to a Determination Date in respect of which an Index Level will be used in any calculation or determination in respect of such Determination Date, the Calculation Agent determines that the Index Sponsor has corrected the Index Level to correct an error which the Calculation Agent determines is material, the Issuer may make any adjustment to the Final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes as the Calculation Agent deems appropriate as a result of such correction and/or determine the amount (if any) that is payable as a result of that correction. The Issuer shall give notice to the holders of the Notes of any such adjustment and/or amount in accordance with Condition 14.

- (III) If a Relevant Level is published or announced at any time after the Cut-Off Date in respect of a Determination Date in respect of which a Substitute Index Level was determined, the Calculation Agent may either (A) determine that such Relevant Level shall not be used in any calculation or determination under the Notes and that the Substitute Index Level shall be deemed to be the definitive Index Level for the relevant Reference Month, or (B) request the Issuer to make any adjustment to the Final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes as it deems appropriate as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the holders of the Notes of any determination in respect of (A) or (B), together with any adjustment or amount in respect thereof, in accordance with Condition 14.

(iv) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes as the Calculation Agent deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(v) Rebasing

If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the Index Level from the date of such rebasing; provided, however, that the Issuer may make (A) 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 (B) if Related Bond is specified as not applicable in the relevant Final Terms or a Related Bond Redemption Event has occurred, the Calculation Agent may make adjustments 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 the Index before it was rebased, and in each case the Issuer may make any adjustment(s) to the Final Redemption Amount, interest payable under the Notes (if any) and/or any other term of the Notes as the Calculation Agent may deem necessary. If the Calculation Agent determines that neither (A) nor (B) above would produce a commercially reasonable result, the Issuer may redeem each Note on a date notified by the Issuer to Noteholders in accordance with Condition 14 at its fair economic value as determined by the Calculation Agent (unless otherwise provided in the relevant Final Terms) as at the date of redemption taking into account the rebasing, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the relevant Final Terms). Notice of any adjustment, redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(vi) Index Modification

- (I) If, on or prior to the Cut-Off Date in respect of any Determination Date, the Calculation Agent determines that an Index Modification has occurred the Issuer may (A) if Related Bond is specified as applicable in the relevant Final Terms, make any adjustments to the Index, any Index Level and/or any other relevant term of the Notes (including, without limitation, the Final Redemption Amount and/or interest payable under the Notes (if any)), consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary, or (B) if Related Bond is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred, make only those adjustments to the Index, any Index Level and/or any other term of the Notes (including, without limitation, the Final Redemption Amount and/or interest payable under the Notes (if any)), as the Calculation Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.
- (II) If the Calculation Agent determines that an Index Modification has occurred at any time after the Cut-Off Date in respect of any Determination Date, the Issuer may determine either to ignore such Index Modification for the purposes of any calculation or determination made by the Calculation Agent with respect to such Determination Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Determination Date such that the provisions of (I) above will apply, or, notwithstanding that the Index Modification has occurred following the Cut-Off Date, to make any adjustments as the Calculation Agent deems fit in accordance with (I) above.

(vii) Change in Law

If the Calculation Agent determines that a Change in Law has occurred, the Issuer may redeem each Note on the date notified by the Issuer to Noteholders in accordance with Condition 14 at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Change in Law, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the relevant Final Terms). Notice of any redemption of the Notes shall be given to Noteholders in accordance with Condition 14.

(viii) **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 Condition 14 at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Index Cancellation, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements (unless provided for otherwise in the relevant Final Terms). Notice of any redemption of the Notes pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14".

6 Index Disclaimer

The Notes are not sponsored, endorsed, sold or promoted by the Index or the Index Sponsor and the Index Sponsor has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. The Index Sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Neither the Issuer nor the Calculation Agent has any affiliation with or control over the Index or the Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Issuer and the Calculation Agent will obtain information concerning the Index from publicly available sources they believe to be reliable, they will not independently verify this information. Accordingly, unless set out in the Final Terms, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.

7 Related Bond Disclaimer

The Notes are not sponsored, endorsed, sold or promoted by the issuer of the Related Bond and the issuer of the Related Bond has made no representation whatsoever, whether express or implied, as to the performance of the Related Bond and/or any amendments, adjustments or modifications to the terms and conditions of the Related Bond, and/or as to the results to be obtained from the use of any value or index level determined or derived with respect to the Related Bond or otherwise. The issuer of the Related Bond shall not be liable (whether in negligence or otherwise) to any person for any error in the index level or any value determined or derived with respect to the Related Bond and such issuer is under no obligation to advise any person of any error with respect thereto. The issuer of the Related Bond has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the issuer of the Related Bond nor any calculation agent in respect thereof shall have any liability to any person for any act or failure to act in connection with the Related Bond.

6. TERMS AND CONDITIONS OF COMMODITY LINKED NOTES

The terms and conditions applicable to Commodity Linked Notes shall comprise the Terms and Conditions of Medium Term Notes set out in Section 1 above (the "General Conditions") and the additional Terms and Conditions set out in the applicable Final Terms. In the event of any inconsistency between (i) the General Conditions and (ii) the Final Terms, the Final Terms shall prevail.

7. TERMS AND CONDITIONS OF CURRENCY LINKED NOTES

The terms and conditions applicable to Currency Linked Notes shall comprise the Terms and Conditions of Medium Term Notes set out in Section 1 above (the "General Conditions") and the additional provisions set out in the applicable Final Terms. In the event of any inconsistency between (i) the General Conditions and (ii) the Final Terms, the Final Terms shall prevail.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[Date]

LeasePlan Corporation N.V.
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the EUR 15,000,000,000
Debt Issuance Programme

[The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, 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 the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so in:

- (i) 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
- (ii) those Public Offer Jurisdictions mentioned in Paragraph 38 of Part A below, provided such person is one of the persons mentioned in Paragraph 38 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].¹

[The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].²

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Medium Term Notes [and] *[insert the reference to the additional terms and conditions for Share Linked Notes, Index Linked Notes, Fund Linked Notes, Commodity Linked Notes, Currency Linked Notes or Inflation Linked Notes]* (the "**Conditions**") in the Base Prospectus dated 20 June 2012 which constitutes a base prospectus for the purposes of 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 such 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 at the specified office of the Issuer and the Paying Agent.]

[The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Terms and Conditions of the Medium Term Notes [and] *[insert the reference to the additional terms and conditions for Share Linked Notes, Index Linked Notes, Fund Linked Notes, Commodity Linked Notes, Currency Linked Notes or Inflation Linked Notes]* (the "**Conditions**") in the Base Prospectus dated [original date]. 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 dated [current date], save in respect of the Conditions which are extracted from

¹ Consider to include this legend where a non-exempt offer of Notes is anticipated.

² Consider to include this legend where only an exempt offer of Notes is anticipated

the Base Prospectus dated [original date] and are attached hereto.] 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 Prospectuses dated [original date] and [current date]. The Base Prospectuses are available for viewing at and copies may be obtained at the specified office of the Issuer and the Paying Agent.] *[The Base Prospectus with the 'original date' must be approved by the competent authority pursuant to the Prospectus Directive.]*

The expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

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

[When adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

1. (i) Issuer: LeasePlan Corporation N.V.
2. (i) Series Number: []
(ii) Tranche Number: []
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
– Series: []
– Tranche: []
5. Issue Price: [] per cent. of the Aggregate Nominal Amount
[plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
6. (i) Specified Denominations: []
[Note - where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:
"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].
No Notes in definitive form will be issued with a denomination above [€199,000]."
(ii) Calculation Amount: [] *If only one Specified Denomination, the Specified Denomination. If more than one Specified Denomination insert the largest common factor.*
7. (i) Issue Date: []
(ii) Interest Commencement Date: *[specify/Issue Date/Not Applicable]*
8. Maturity Date: *[Fixed rate – specify date/ Floating rate –Interest Payment Date falling in or nearest to [specify month and year]]*

9. Interest Basis: [[] per cent. Fixed Rate]
 [[LIBOR/EURIBOR/ other] +/- [] per cent.
 Floating Rate]
 [Dual Currency Interest]
 [Zero Coupon]
 [Share Linked Interest]
 [Index Linked Interest]
 [Fund Linked Interest]
 [Commodity Linked Interest]
 [Currency Linked Interest]
 [Inflation Linked Interest]
 [specify other]
 (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
 [Share Linked]
 [Index Linked]
 [Fund Linked]
 [Commodity Linked]
 [Currency Linked]
 [Inflation Linked]
 [Dual Currency Redemption]
 [Partly Paid]
 [Instalment]
 [specify other]
 (further particulars specified below)
11. Change of Interest or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another Interest Basis or Redemption/Payment Basis*]
12. Put/Call Options: [Investor Put]
 [Issuer Call]
 ((further particulars specified below))
13. (i) Status of the Notes: [Senior / Tier 2 Subordinated]
 [(ii)] [Date [Board] approval for issuance of Notes obtained: [] [and []], respectively]
 (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)]
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
 (If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate(s) of Interest: ☐ per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]
(If payable other than annually, consider amending Condition 5)
- (ii) Interest Payment Date(s): ☐ in each year [adjusted in accordance with [specify Business Day convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted] (NB: This will need to be amended in the case of long or short coupons)
- (iii) Fixed Coupon Amount(s): ☐ per Calculation Amount
- (iv) Broken Amount(s): ☐ per Calculation Amount, payable on the Interest Payment Date failing [in/on] ☐
- (v) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or specify other]
- (vi) [Determination Dates: ☐ in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/give details]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Specified Period/Specified Interest Payment Dates: ☐
- (ii) Specified Interest Payment Date: ☐
- (iii) First Interest Payment Date: ☐
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (v) Additional Business Centre(s): ☐
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/specify other]
- (vii) Party responsible for calculating the Rate of Interest and Interest Amounts (if not the Agent): [Not Applicable/Calculation Agent/specify other]
- (viii) Screen Rate Determination: [Yes/No]
– Reference Rate: ☐
(Either LIBOR, EURIBOR or other, although additional information is required if other including fallback provisions in the Agency Agreement)

- Interest Determination Date(s): ☐
(Second London business day prior to the start of each Interest Period if LIBOR (other than sterling or euro LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
- Relevant Screen Page: ☐
- (ix) ISDA Determination: ☐ [Yes/No]
 - Floating Rate Option: ☐
 - Designated Maturity: ☐
 - Reset Date: ☐
- (x) Margin(s): ☐ [+/-] ☐ Per cent. per annum
- (xi) Minimum Rate of Interest: ☐ per cent. per annum
- (xii) Maximum Rate of Interest: ☐ per cent. per annum
- (xiii) Day Count Fraction: ☐
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: ☐
- 17. **Zero Coupon Note Provisions** ☐ [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
 - (i) [Amortisation / Accrual] Yield: ☐ per cent. per annum
 - (ii) Reference Price: ☐
 - (iii) Any other formula/basis of determining amount payable: ☐
 - (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: ☐ [Conditions 7(e)(ii) and (j) apply/ *specify other*]
 (Consider applicable day count fraction if not US dollar denominated)
- 18. **Dual Currency Note Provisions** ☐ [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
 - (i) Rate of Exchange/method of calculating Rate of Exchange: ☐ [give or annex details]
 - (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: ☐
 - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: ☐
(Need to include a description of market disruption or settlement disruption events and adjustment provisions)
 - (iv) Person at whose option Specified Currency(ies) is/are payable: ☐

PROVISIONS RELATING TO REDEMPTION

19. Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [] per Calculation Amount
- (b) Maximum Redemption Amount: [] per Calculation Amount
- (iv) Notice period (if other than as set out in the Conditions): []
(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
20. Investor Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [] per Calculation Amount
- (iii) Notice period (if other than as set out in the Conditions): []
(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
21. Final Redemption Amount of each Note [] per Calculation Amount / *specify other* / See Appendix]
22. Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)): []
23. Principal at risk [Not Applicable / *specify percentage of Nominal Amount which will be at risk*]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event, and in respect of global Notes deposited with Euroclear Netherlands only in the limited circumstances as described in the Securities Giro Act (*Wet giraal effectenverkeer*) and in accordance with the rules and regulations of Euroclear Netherlands.
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date, which only applies to Temporary Global Notes which have a denomination which does not consist of a Specified Denomination with integral multiples thereof.]
- [Permanent Global Note exchangeable for Definitive Notes only upon an Exchange Event, and in respect of global Notes deposited with Euroclear Netherlands only in the limited circumstances as described in the Securities Giro Act (*Wet giraal effectenverkeer*).]
25. New Global Note Form: [Applicable/Not Applicable]
26. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/ *give details*] (*Note that this item relates to the place of payment and not Interest Period end dates to which item 16(v) relates*)
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/ *give details*. NB: a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]
29. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/ *give details*]
30. Redenomination: [Not Applicable/The provisions in Condition 4 apply]
31. Other final terms: [Not Applicable/*give details*]
- (*When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.*)
32. Whether Condition 8 (a) of the Notes applies (in which case Condition 7(b)) of the Notes will not apply) or whether Condition 8(b) and Condition 7(b) of the Notes apply: [Condition 8(a) applies and Condition 7(b) does not apply/Condition 8(b) and Condition 7(b) apply]
33. Calculation Agent: [Not Applicable/*give details*]

DISTRIBUTION

34. (i) If syndicated, names [and addresses]** of Managers [, underwriting commitments and, if partly underwritten, the portion not underwritten]**: [Not Applicable/give names [addresses and underwriting commitments] [and] **]
(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 Managers.)**
- (ii) Date of Subscription Agreement**: []**
- (iii) Stabilising Manager (if any): [Not Applicable/give name]
35. If non-syndicated, name [and address]** of Dealer: [Not Applicable/give name [and address] **]
36. Total commission and concession**: []
per cent. of the Aggregate Nominal Amount**
37. U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/ TEFRA not applicable]
38. Non-exempt Offer: [[Not Applicable] [An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Prospectus and any supplements have been passported] ("**Public Offer Jurisdictions**") during the Period from [specify date] until [specify date] ("**Offer Period**"). See further paragraph 16 of Part B below.]
39. Additional selling restrictions: [Not Applicable/give details]

SHARE LINKED PROVISIONS (complete if applicable)

40. [**The following applies to Notes linked to a single share only:** [Applicable/Not Applicable]
- Averaging Dates: [specify dates or delete if N/A]
- Barrier Level: [specify as [[-] per. cent of Initial Share Price] or delete if N/A]
- Business Day: [specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [-] [and (ii) which is a TARGET Business Day].
- Constant Monitoring: [specify as applicable and delete "Valuation Time Only" below or delete if N/A]
- Exchange: [specify]
- Expiration Date: [specify date or delete if N/A]
- Final Share Price: [specify if fallback provisions in Chapter 3, Part 1(A), not to apply or state if N/A]
- Initial Share Price: [specify if fallback provisions in Chapter 3, Part 1(A), not to apply or state if N/A]
- Observation Date(s): [specify or delete if N/A]

Observation Period:	<i>[specify as [the period from and including the Issue Date, Strike Date or [–] to and including the Expiration Date or [–]] or delete if N/A]</i>
Share Amount:	<i>[specify formula or delete if N/A]</i>
Share Currency:	<i>[specify]</i>
Share Delivery:	<i>[specify as applicable or delete if N/A; if applicable, specify in which circumstances share delivery may occur (at the option of the Issuer; if share price reaches certain level, etc.)]</i>
Share Delivery Date:	<i>[specify or delete if N/A], subject to 7(n)(ii) and, if such day is not a Delivery Day, the first succeeding Delivery Day.</i>
Share Issuer:	<i>[specify]</i>
Shares:	<i>[name and short description of type of shares] issued by the Share Issuer (ISIN: [–]).</i>
Strike Date:	<i>[specify or delete if N/A]</i>
Strike Price:	<i>[specify or delete if N/A]</i>
Valuation Time Only:	<i>[specify as applicable and delete "Constant Monitoring" above or delete if N/A]</i>
	<i>[Insert any other relevant terms]</i>
41. <i>[The following applies to Notes linked to a Basket of Shares only:</i>	<i>[Applicable/Not Applicable]</i>
Where:	
Averaging Dates:	<i>[specify dates or delete if N/A]</i>
Barrier Level:	<i>[specify as [[–] per. cent of Initial Share Price] or delete if N/A]</i>
"Basket" means a basket composed of Shares in the relative [proportions/numbers of Shares] of each Share Issuer specified below:	
[Insert details of:	
–	Share Issuer
–	[Proportion/number of Shares]
–	ISIN number
–	Exchange]
Business Day:	<i>[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [–] [and (ii) which is a TARGET Business Day].</i>
Constant Monitoring:	<i>[specify as applicable and delete "Valuation Time Only" below or delete if N/A]</i>
Expiration Date:	<i>[specify date or delete if N/A]</i>
Final Share Price:	<i>[specify if fallback provisions in Chapter 3, Part 1(B) not to apply or state if N/A]</i>
Initial Share Price:	<i>[specify if fallback provisions in Chapter 3, Part 1(B) not to apply or state if N/A]</i>
Observation Date(s):	<i>[specify or delete if N/A]</i>

Observation Period:	<i>[specify as [the period from and including the Issue Date, Strike Date or [–] to and including the Expiration Date or [–]] or delete if N/A]</i>
Share Amount:	<i>[specify formula or delete if N/A]</i>
Share Currency:	<i>[specify]</i>
Share Delivery:	<i>[specify as applicable or delete if N/A; if applicable, specify in which circumstances share delivery may occur (at the option of the Issuer; if share price reaches certain level, etc.)]</i>
Share Delivery Date:	<i>[specify or delete if N/A], subject to Condition 7(n)(ii) and, if such day is not a Delivery Day, the first succeeding Delivery Day.</i>
Share Issuer:	<i>[specify]</i>
Shares:	<i>[name and short description of type of shares] issued by the Share Issuer (ISIN: [–]).</i>
Strike Date:	<i>[specify or delete if N/A]</i>
Strike Price:	<i>[specify or delete if N/A]</i>
Valuation Time Only:	<i>[specify as applicable and delete "Constant Monitoring" above or delete if N/A]</i> <i>[Insert any other relevant terms]</i>

INDEX LINKED PROVISIONS (complete if applicable)

42.	<i>[The following applies to Notes linked to a single index only:</i>	[Applicable/Not Applicable]
Averaging Dates:		<i>[specify dates or delete if N/A]</i>
Barrier Level:		<i>[specify as [[–] per. cent of Initial Index Level] or delete if N/A]</i>
Business Day:		<i>[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [–] [and (ii) which is a TARGET Business Day]]</i>
Exchange(s):		<i>[specify if Non-Multi Exchange Index, otherwise no need to complete]</i>
Expiration Date:		<i>[specify or delete if N/A]</i>
Index:		<i>[specify]</i>
Index Sponsor:		<i>[specify or delete if fallback provisions in Chapter 4, Part 1 to apply]</i>
Initial Index Level:		<i>[specify as [the Index Level on the Strike Date] or delete if N/A]</i>
Multi-Exchange Index:		[Yes/No]
Non Multi-Exchange Index:		[Yes/No]
Observation Date(s):		<i>[specify or delete if N/A]</i>
Observation Period:		<i>[specify as [the period from and including the Issue Date, Strike Date or [–] to and including the Expiration Date or [–]] or delete if N/A]</i>
Strike Date:		<i>[specify or delete if N/A]</i>
Strike Price:		<i>[specify or delete if N/A]</i>

	[Insert any other relevant terms]]
43. <i>[The following applies to Notes linked to a basket of indices only:</i>	[Applicable/Not Applicable]
Averaging Dates:	<i>[specify dates or delete if N/A]</i>
Barrier Level:	<i>[specify as [[–] per. cent of Initial Index Level] or delete if N/A]</i>
Basket:	<i>[specify names of Indices and their weightings]</i> <i>[indicate which are Multi-Exchange Indices and which are Non Multi-Exchange Indices]</i>
Business Day:	<i>[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [–] [and (ii) which is a TARGET Business Day].</i>
Exchange(s):	<i>[specify if any Non Multi-Exchange Indices, otherwise no need to complete]</i>
Expiration Date:	<i>[specify or delete if N/A]</i>
Index Sponsor:	<i>[specify or delete if fallback provisions in Chapter 4, Part 1 to apply]</i>
Initial Index Level:	<i>[specify as [the Index Level on the Strike Date] or delete if N/A]</i>
Observation Date(s):	<i>[specify or delete if N/A]</i>
Observation Period:	<i>[specify as [the period from and including the Issue Date, Strike Date or [– to and including the Expiration Date or [–] or delete if N/A]</i>
Strike Date:	<i>[specify or delete if N/A]</i>
Strike Price:	<i>[specify or delete if N/A]</i>
	[Insert any other relevant terms]]
FUND LINKED PROVISIONS (complete if applicable)	[Applicable/Not Applicable]
44. Fund:	<i>[Specify]</i>
Fund Interest(s):	<i>[Specify]</i>
Fund Manager:	<i>[Specify]</i>
Applicable Fund Centre:	<i>[Specify places for determining Fund Business Days]</i>
Fund Business Day Convention:	[Following/Modified Following/Preceding]
Market Disruption	
Disrupted Period:	<i>[Specify number of Fund Business Days before Issuer may estimate values owing to Market Disruption Events] Fund Business Days</i>
Final Disrupted Period:	<i>[Specify number of Business Days that Maturity Date is postponed owing to Market Disruption Events] Business Days</i>
Substitution	
Substitution Event	[Strategy Change
(select all that apply):	Currency Change
	Fee Change

	Publishing Failure
	Operating Change
	Tax Change
	Trading Restriction
	Disposal Event
	[–]
Publishing Failure Period:	<i>[Specifying number of Fund Business Days before a Publishing Failure can be called by the Issuer]</i> Fund Business Days
Final Redemption	
Minimum Redemption Amount:	<i>[Specify/Not Applicable]</i>
Participation:	<i>[Specify]</i> per cent./Not Applicable]
Initial Price:	[Strike Price] <i>[Specify other]</i>
Strike Date:	[–]
Final Price:	[Single Price/Average Price]
Observation Date:	[–]
<i>(specify if Averaging Dates do not apply)</i>	[Not Applicable]
Averaging Dates:	<i>[Specify/Not Applicable]</i>
<i>(specify if Observation Date does not apply)</i>	[Not Applicable]
Calculation Determination Date:	[Not Applicable]
<i>(one Business Day unless specified otherwise)</i>	[Business Days]
Settlement Period:	[Not Applicable]
<i>(seven Business Days unless otherwise specified)</i>	[–] Business Days <i>(number of Business Days following the Final Redemption Receipt Date)]</i>
Early Redemption	
Early Redemption Date:	[Not Applicable]
<i>(seven Business Days unless otherwise specified)</i>	[Business Days] <i>(number of Business Days following Receipt Date)</i>
Fund	
Fund:	<i>[Specify]</i>
Fund Interest(s):	<i>[Specify]</i>
Fund Manager:	<i>[Specify]</i>
Applicable Fund Centre(s):	[–]
<i>(for the purpose of Fund Business Days)</i>	
Fund Business Day Convention:	[Following] [Modified Following]

	[Preceding]
Market Disruption	
Disrupted Period:	[–] Fund Business Days
Minimum Payment Interval:	[Not Applicable]
<i>(two Business Days unless otherwise specified)</i>	[–] Business Days
Averaging Date Disruption:	[Omission]
	[Postponement]
	[Modified Postponement]
Cut-off Period:	[Not Applicable]
<i>(If Averaging Date Disruption is determined by Modified Postponement and the period is different to the Disrupted Period)</i>	[–]
Substitution	
Substitution Event	[Audit Event
<i>(select all that apply):</i>	Charging Change
	Corporate Event
	Cross-contamination
	Currency Change
	Distribution In-kind
	Fund Constitution Breach
	Fund Constitution Change
	Fund Rules Breach
	Fund Strategy Breach
	Fund Strategy Change
	Fund Tax Event
	Hedging Event
	Investor Tax Event
	Litigation Event
	Management Change
	Mandatory Disposal
	Market Event
	NAV Suspension
	Performance Failure
	Potential Regulatory Event
	Redemption Failure
	Regulatory Event
	Strategy Breach
	Strategy Change
	Subscription/Redemption Alteration
	Subscription/Redemption Restriction
	Transfer Restriction]

COMMODITY LINKED PROVISIONS (complete if applicable)	[Applicable/Not Applicable]
45. Terms relating to Commodity Linked Notes	[give details]
CURRENCY LINKED PROVISIONS (complete if applicable)	[Applicable/Not Applicable]
46. Terms relating to Currency Linked Notes	[give details]
INFLATION LINKED PROVISIONS (complete if applicable)	[Applicable/Not Applicable]
47. Index:	[-]
Index Sponsor:	[-]
Related Bond:	[Applicable/N/A] [if applicable, specify]
Issuer of Related Bond:	[Applicable/N/A] [if applicable, specify]
Related Bond Redemption Event:	[Applicable/N/A] [if applicable, specify]
Averaging Date:	[Applicable/N/A] [if applicable, specify]
Observation Date:	[Applicable/N/A] [if applicable, specify]
Expiration Date:	[-]
Strike Date:	[-]
Strike Price:	[-]
Observation Period:	[Applicable/Not Applicable] [if applicable, specify]
First Publication:	[Applicable/Not Applicable]
Substitute Index Level:	[As determined in accordance with Condition 7(l)] [-]
Cut-Off Date:	In respect of a Determination Date, the day that is [-] Business Days prior to such Determination Date.
Business Day Convention:	[-]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market] of the Notes described herein] pursuant to the EUR 15,000,000,000 Debt Issuance Programme of LeasePlan Corporation N.V.

RESPONSIBILITY

The Issuer declares that, after having taken all reasonable care to ensure that such is the case, the information contained herein is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility for the information contained in these Final Terms. [(Relevant third party information) has been extracted from (specify source). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), 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

- (i) Listing: [NYSE Euronext in Amsterdam / official list of the Luxembourg Stock Exchange/ other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [] with effect from [].] [Not Applicable.]
- (Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)***
- (iii) Estimate of total expenses related to admission to trading*: []*

2. RATINGS

Ratings:

The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

[Not Applicable.]

[and endorsed by [insert details including full legal name of credit rating agency/ies]]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]***

[•]

(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:

*[[Insert full legal name of credit rating agency/ies] [is]/[are] established in the EEA and [has]/[have each] applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority]]. [[Insert full legal name of credit rating agency/ies] [is]/[are] established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**.) [[Insert full legal name of credit rating agency/ies] [is]/[are] not established in the EEA and is not certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**").]*

[In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.]

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

[(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 Prospectus under Article 16 of the Prospectus Directive.)]

4. [RISK FACTORS]

Include any product specific risk factors which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for either (i) a supplement to the Base Prospectus under Article 16 of the Prospectus Directive, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a 48 hour time period or (ii) a Prospectus.

Investors may lose the value of their entire investment or part of it, as the case may be, and/or, if the investor's liability is not limited to the value of his investment, a statement of that fact, together with a description of the circumstances in which such additional liability arises and the likely financial effect.³

5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer: []

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes (including making profit and/or hedging certain risks) will need to include those reasons here.)]

[(ii) Estimated net proceeds: []

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii) Estimated total expenses: [] *[Include breakdown of expenses.]*

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

6. [Fixed Rate Notes only – YIELD]

Indication of yield: []

*[Calculated as *[include details of method of calculation in summary 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.]

7. [Floating Rate Notes only – HISTORIC INTEREST RATES]

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].] **

³ Required for derivative securities.

8. [Index-linked or other variable-linked notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING]

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.** [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. 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 Prospectus under Article 16 of the Prospectus Directive.)]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]

9. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT]

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]**

[(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 Prospectus under Article 16 of the Prospectus Directive.)]

10. [Share Linked Notes only - INFORMATION CONCERNING THE UNDERLYING]

[Need to include details of where information on the past and future performance and volatility of the underlying shares can be obtained, the name of the Issuer of the underlying share(s) and ISIN/other identification code of the underlying share(s) and (unless the Notes have a denomination of at least [€100,000] or can only be acquired for at least [€100,000] per security) 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.]

11. [Index Linked Notes only - DETAILS OF UNDERLYING INDEX]

[Need to indicate where information on the past and future performance of the underlying and its volatility can be obtained. Need to include description of the Index if it is composed by the Issuer. If the Index is not composed by the Issuer, state where information about the Index can be obtained. Unless the Notes have a denomination of at least [€100,000] or can only be acquired for at least [€100,000] per security, give 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.]

12. [Fund Linked Notes only - INFORMATION ON UNDERLYING]

[Need to include details of where information on past and future performance and volatility of the underlying fund(s) can be obtained, the name of the Issuer of the underlying fund(s) and ISIN/other identification code of the underlying fund(s) and (unless the Notes have a denomination of at least [€100,000] or can only be acquired for at least [€100,000] per security) 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.]

13. OPERATIONAL INFORMATION

ISIN Code: []

Common Code: []

Other relevant code: []

Debt Issuance Programme Number:	12014
Any clearing system(s) other than 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>[If Euroclear Netherlands is selected, and in item 24 Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date is selected, further legal advice is required.]</i>
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[]
Names and addresses of additional Paying Agent(s) (if any):	[]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No][Not Applicable] [Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][include this text if "yes" selected in which case the Notes must be issued in NGN form]
14. TERMS AND CONDITIONS OF THE OFFER	
Offer Price:	[Issue Price][specify]
Conditions to which the offer is subject:	[Not Applicable/give details]
Description of the application process:	[Not Applicable/give details]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/give details]
Details of the minimum and/or maximum amount of application:	[Not Applicable/give details]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/give details]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/give details]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/give details]
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	[Not Applicable/give details]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/give details]

Amount of any expenses and taxed specifically charged to the subscriber or purchaser:

[Not Applicable/*give details*]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.

[None/*give details*]

Notes:

* ***Delete if the minimum denomination is less than EUR 100,000***

** ***Delete if the minimum denomination is EUR 100,000***

USE OF PROCEEDS

The net proceeds from each issue of Notes described herein will be applied by the Issuer for its general corporate purposes (which include making a profit and/or hedging certain risks). If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

DESCRIPTION OF LEASEPLAN CORPORATION N.V. ("LPCorp")

INTRODUCTION

LPCorp was incorporated by notarial deed of 27 February 1963 as a public limited company (*naamloze vennootschap*) under the laws of The Netherlands, for an indefinite period. LPCorp is registered with the Trade Register of the Gooi-, Eem- and Flevoland Chamber of Commerce under number 39037076. LPCorp has its statutory seat in Amsterdam, The Netherlands and its registered office at P.J. Oudweg 41, 1314 CJ Almere-Stad, The Netherlands. The general telephone number of LPCorp is: +31 36 539 3911.

LPCorp is a bank and is authorised by DNB to pursue the business of a bank in The Netherlands in accordance with Article 2.11 of the FMSA. It holds shares in the respective legal entities that have been established in the various countries where LeasePlan is active. LPCorp is actively managing this international network of operating entities. In the areas of (among other things) procurement, IT development, marketing & product development and human resources an internationally harmonised and coordinated strategy is pursued. As LPCorp is operating in many countries, its contractual obligations are subject to the laws of differing jurisdictions. Throughout this section LeasePlan is used as reference to the group of companies which is headed by LPCorp as common shareholder, and which has common business characteristics.

As at 31 December 2011, the LeasePlan group employed over 6,000 people and its fleet comprised over 1.3 million vehicles of various brands worldwide. As at 31 December 2011, the total book value of leases and lease receivables was EUR14.6 billion.

PROFILE

LeasePlan holds a top 3 market position in terms of fleet size in the majority of the 30 countries where it operates in Europe, the Americas and Asia-Pacific. It capitalises on its status as a bank by centrally supporting the group's financing activities. Euro Insurances, LeasePlan's own insurance subsidiary, supports the insurance solutions offered by the group companies as part of their integrated service offer. As at 31 December 2011, LeasePlan's fleet comprised over 1.3 million vehicles of various brands worldwide which makes LeasePlan the largest fleet and vehicle management provider by total fleet size. Over the past 15 years LeasePlan has rapidly expanded into new territories and now has offices in 30 countries and alliances in South Africa and the Baltic States. The group companies rank among the major players in their respective local markets, and many are market leader in terms of fleet size.

LeasePlan launched LeasePlan Bank in 2010, an online savings bank in The Netherlands, aimed at private and corporate clients. LeasePlan Bank attracted deposits in excess of EUR 2.8 billion by the end of 2011 and more than 61,000 corporate and private clients.

LeasePlan is one of the few organisations with the broad geographical presence necessary to offer a global service to large multinational companies. LeasePlan International B.V., a subsidiary of LPCorp plays an important role in the sale and marketing of cross border services and manages the accounts of large international customers worldwide. Its long term credit ratings are: BBB+ from S&P, Baa2 from Moody's and A- from Fitch.

SHAREHOLDERS

Global Mobility Holding B.V. ("**Global Mobility Holding**"), a limited liability company established in The Netherlands and a joint venture between Volkswagen Bank GmbH ("**Volkswagen Bank**") and Fleet Investments B.V. ("**Fleet Investments**"), holds 100% of the outstanding ordinary shares of LPCorp. Volkswagen Bank and Fleet Investments each currently hold a 50% ownership interest in Global Mobility Holding. Volkswagen Bank is a wholly-owned subsidiary of Volkswagen AG. Fleet Investments is a company indirectly wholly-owned by German banker Friedrich von Metzler. Volkswagen agreed with Fleet Investments that Fleet Investments would become the new co-investor in Global Mobility Holding in 2010 for an initial period of two years. The agreements relating to the joint venture were prolonged by a further two years in 2011.

CREDIT INSTITUTION AND RISK WEIGHTING

LPCorp is a licensed bank (under article 2:11 of the FMSA) in The Netherlands. This licence was granted by the Dutch Central Bank in September 1993.

As a result of its status of a bank, under current BIS/EEC solvency regulations debt securities issued or guaranteed by LPCorp carry a risk weight dependent on the approach used by the relevant credit

institution. Fleet numbers have increased comparing end of 2010 to end of 2011, as has the average book value per car. This resulted in an increase of risk weighted assets from EUR 12.8 billion at the end of 2010 to EUR 13.9 billion at the end of 2011 under the advanced model approach that LPCorp uses in relation to a part of its lease portfolio for its central bank solvency reporting. Due to the rise in Core Tier 1 capital at a somewhat faster pace than the increase in risk weighted assets, the Core Tier 1 ratio has increased from 14.6% to 14.9% in 2011. The increase in Tier 1 capital is predominantly caused by profit retention and to a small extent offset by an increase in goodwill and intangibles. At the end of 2011 the balance of a Tier 2 subordinated loan was repaid early, emphasizing the new focus on Core Tier 1 capital and ratios. During the past years LPCorp has on the basis of a stable business franchise and consistently retained profits been able to raise its Core Tier 1 ratio. The current level is perceived in excess of both internal targets and minimum requirements of the central bank supervisor. Also anticipating the effects of the new Basel III regulatory rules, its current solvency ratios are relatively high.

MANAGING BOARD

The Managing Board of LPCorp currently consists of the following members:

Name	Born	Title	Member of Managing Board Since
Vahid Daemi	1956	Chairman and Chief Executive Officer	2006
Guus Stoelinga	1963	Chief Financial Officer	2007
Sven-Torsten Huster	1958	Chief Operating Officer	2011

Outside their function in LPCorp, the Managing Board Members' principal activities consist of holding several executive, non-executive and Supervisory Board memberships within LeasePlan.

There are no potential conflicts between any duties to LPCorp and the private interests and/or other duties of the Managing Board Members of LPCorp. The Managing Board Members avoid any form of conflicting interest in the performance of their duties. The Articles of Association of LPCorp provide that where a managing director has an interest which conflicts directly or indirectly with the company's interests, the Managing Board as well as two managing directors acting jointly may nevertheless represent the company, provided that a resolution of the Managing Board with respect to a matter involving a conflict of interest with one or more managing directors in a private capacity shall be subject to the approval of the Supervisory Board. Other than that arrangement and the general rules pursuant to the Dutch Civil Code, there are no specific regulations in place at LPCorp to avoid or address potential conflicts of interests.

Pursuant to the Dutch Corporate Governance Decree of 20 March 2009 implementing further accounting standards for annual reports ("*Besluit Corporate Governance*") and based on the listing of LeasePlan debt securities issued on regulated markets in the EU, LPCorp is subject to the lighter regime under the Corporate Governance Decree, pursuant to which the Corporate Governance Statement in the annual report (directly or incorporated by reference) must contain information on the main features of LPCorp's internal control and risk management system in relation to the financial reporting process of LPCorp and its group companies. The Corporate Governance Statement in the 2011 annual report contains information on the main features of the internal control and risk management system in relation to the financial reporting process of the company and their group companies.

SUPERVISORY BOARD

F. Witter, Chairman

Chief Executive Officer of Volkswagen Financial Services AG

M.K.W. Klaus, Deputy Chairman

Partner of B. Metzler seel. Sohn & Co. Holding AG

E.C.O. Schlögel

General Counsel of B. Metzler seel. Sohn & Co. Holding AG

A.P.M. Van der Veer – Vergeer

A.H. Möhle

Global Head of Global Markets and Group Funding of Volkswagen AG

There are no potential conflicts between any duties to LPCorp and the private interests and/or other duties of the supervisory board members of LPCorp. In other situations, the supervisory board members avoid any form of conflicting interest in the performance of their duties. Other than the general rules pursuant to the Dutch Civil Code, there are no specific regulations in place at LPCorp to avoid or address potential conflicts of interests.

The chosen address of the supervisory and managing boards is the registered office of LPCorp.

CAPITALISATION

The following table sets out the capitalisation of LPCorp at the dates specified below (before profit appropriation).

	31 December		
	2011	2010	2009
<i>millions of euros</i>			
Capital and reserves	1,929.2	1,737.8	1,453.1
Net profit	224.7	198.6	165.2
Shareholders' equity	2,153.0	1,936.4	1,618.3
Minority interests	—	—	—

RECENT DEVELOPMENTS

Any material press release, or any summary thereof, issued by LPCorp can be obtained at the registered office of LPCorp at P.J. Oudweg 41, 1314 CJ Almere-Stad, The Netherlands and from the website of LPCorp at <http://www.leaseplan.com>. Information on the above mentioned website does not form part of this Base Prospectus and may not be relied upon in connection with any decision to invest in the Notes.

In April 2012 LeasePlan successfully placed GBP 582.1 million of securities backed by lease assets of its portfolio in the UK. LeasePlan placed the notes in two classes both rated AAA(sf) by S&P and Fitch, a EUR 445.8 million class A1 and a GBP 212.1 million class A2.

On 15 February 2012, Moody's announced that it has placed LPCorp, together with 113 other financial institutions in 16 European countries, on review for potential credit rating downgrade. On 15 June 2012, Moody's downgraded LeasePlan's long-term debt and deposit rating to Baa2.

In January 2012, LeasePlan completed the issuance of EUR 500 million aggregate principal amount of 4.125% notes due 2015 and in February 2012, LeasePlan completed the issuance of EUR 700 million aggregate principal amount of floating rate notes due November 2013 bearing interest at Euribor + 2.50%. In February 2012, the proceeds from these offerings along with available cash from operating activities were used for the repayment upon maturity of EUR 1,250 million aggregate principal amount of notes issued in 2009 pursuant to the 2008 Dutch State Credit Guarantee Scheme.

LeasePlan concluded unsecured debt capital market transactions for a total amount of EUR 1.2 billion in 2011.

FINANCIAL STATEMENTS OF LEASEPLAN CORPORATION N.V.

The consolidated financial statements of LPCorp for the years ended 31 December 2009, 2010 and 2011 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and with Dutch law.

Selected Financial Information

The following tables set out in summary form balance sheet and income statement information relating to LPCorp. Such information was extracted without material adjustment from the audited consolidated financial statements of LPCorp as at and for the years ended 31 December 2008, 2009 and 2010. Such financial statements, together with the reports of LPCorp's auditors thereon, are incorporated by reference in this Base Prospectus. The financial information presented below should be read in conjunction with such financial statements and reports.

CONSOLIDATED BALANCE SHEET

As at 31 December

2011 2010 2009

(in thousands of Euro)

Assets

Cash and balances at central banks	61,946	70,303	35,673
Derivative financial instruments	243,758	329,014	275,154
Receivables from financial institutions	1,870,069	1,506,448	1,313,641
Receivables from clients	2,964,060	2,726,133	2,543,176
Corporate income tax receivable	38,112	32,957	58,464
Financial assets held-to-maturity	0	-	-
Inventories	225,460	158,542	134,208
Other receivables and prepayments	645,696	600,893	570,101
Loans to associates and jointly controlled entities	192,588	186,571	232,849
Investments in associates and jointly controlled entities	37,760	35,754	22,447
Property and equipment under operational lease and rental fleet	12,194,828	11,432,680	11,548,795
Other property and equipment	80,875	81,856	86,253
Deferred tax assets	145,432	155,135	133,429
Intangible assets	169,080	150,736	158,878
	18,869,664	17,466,922	17,113,068
Assets classified as held-for-sale and discontinued operations	5,132	2,378	13,146
Total assets	18,874,796	17,469,300	17,126,214

Liabilities

Corporate income tax payable	55,285	59,427	65,168
Borrowings from financial institutions	1,535,899	2,201,314	2,379,435
Funds entrusted	2,985,400	1,919,172	217,622
Debt securities issued	9,535,928	8,415,591	10,068,550
Derivative financial instruments	258,216	423,851	480,385

Trade and other payables and deferred income	1,927,849	1,835,334	1,620,121
Deferred tax liabilities	154,764	138,875	122,487
Provisions	267,327	269,899	282,944
Subordinated loans	0	269,057	268,750
	16,720,668	15,532,520	15,505,462
	244		
Liabilities classified as held-for-sale and discontinued operations		376	2,417
Total liabilities	16,720,912	15,532,896	15,507,879
Equity			
Share capital	71,586	71,586	71,586
Share premium	506,398	506,398	506,398
Other reserves	1,575,900	1,358,420	1,040,351
Shareholders' equity	2,153,884	1,936,404	1,618,335
Non-controlling interest	0	-	-
Total equity	2,153,884	1,936,404	1,618,335
Total equity and liabilities	18,874,796	17,469,300	17,126,214

CONSOLIDATED PROFIT AND LOSS ACCOUNT DATA

For the years ended 31 December

2011 2010 2009

(in thousands of Euro)

Continuing operations

Revenues	7,398,054	6,977,968	6,459,238
Cost of revenues	6,717,172	6,291,368	5,932,451
Gross profit	680,882	686,600	526,787

Interest and similar income	932,693	896,121	939,188
Interest expenses and similar charges	569,142	596,991	659,278
Net interest income	363,551	299,130	279,910

Impairment charges on losses on receivables	19,739	19,763	56,010
Net interest income after impairment charges on loans and receivables	343,812	279,367	223,900

Unrealised gains/losses on financial instruments	-19,235	-4,749	-1,736
Other financial gains/(losses)		-	63,369
Net finance income	324,577	274,618	285,533

Total operating and financing income	1,005,459	961,218	812,320
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Staff expenses	444,778	412,392	377,830
General and administrative expenses	240,972	227,045	190,684
Depreciation and amortisation	43,117	57,369	34,840
Total operating expenses	728,867	696,806	603,354

Share of profit of associates and jointly controlled entities	3,629	7,397	2
Profit before tax	280,221	271,809	208,968
Income tax expenses	57,396	75,053	40,764
Profit for the year from continuing operations	222,825	196,756	168,204

Discontinued operations

Profit for the year from discontinued operations	1,916	1,878	-2,971
Profit for the year	224,741	198,634	165,233

Profit attributable to

Owners of the parent	224,741	198,634	165,233
Non-controlling interest	-	-	-

TAXATION

I TAXATION IN THE NETHERLANDS

The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of a Note, Coupon, Talon or Receipt, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. For the purpose of this summary the term "Note" includes any Coupon, Receipt or Talon.

For the purpose of this summary it is assumed that no holder of a Note has or will have a substantial interest, or – in the case of a holder of a Note being an entity – a deemed substantial interest, in the Issuer and that no connected person (verbonden persoon) to the holder of a Note has or will have a substantial interest in the Issuer.

Generally speaking, an individual has a substantial interest in the Issuer if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of the Issuer

Generally speaking, an entity has a substantial interest in the Issuer if such entity, directly or indirectly has (I) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (II) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of the Issuer. An entity holding a Note has a deemed substantial interest in the Issuer if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this summary, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this summary refers to "The Netherlands" or "Dutch", it refers only to the European part of the Kingdom of The Netherlands.

Where this summary refers to a holder of a Note, an individual holding a Note or an entity holding a Note, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Note or otherwise being regarded as owning a Note for Dutch tax purposes. It is noted that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settler, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of a Note, Coupon, Talon or Receipt.

1. Withholding Tax

All payments made by the Issuer of interest and principal under the Notes can be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, unless the Notes qualify as debt that effectively functions as equity for purposes of article 10, paragraph 1, sub d of the Corporate Tax Act (*Wet op de vennootschapsbelasting 1969*). According to Supreme Court case law, the Notes may effectively function as equity if (a) the Notes are subordinated to all other non-subordinated creditors of the Issuer, (b) the Notes do not have a fixed maturity or have a maturity of more than 50 years, and (c) payments under the Notes are entirely or almost entirely dependent on the Issuer's profits.

2. Taxes on Income and Capital Gains

Residents

Resident entities

An entity holding a Note which is, or is deemed to be, resident in The Netherlands for corporate tax purposes and which is not tax exempt, will generally be subject to corporate tax in respect of income or a capital gain derived from a Note at the prevailing rates.

Resident individuals

An individual holding a Note who is, is deemed to be, or has elected to be treated as, resident in The Netherlands for income tax purposes will be subject to income tax in respect of income or a capital gain derived from a Note at rates up to 52 per cent if:

- (i) the income or capital gain is attributable to an enterprise from which the holder derives profits (other than as a shareholder); or
- (ii) the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor (ii) applies, an individual holding a Note will be subject to income tax on the basis of a deemed return, regardless of any actual income or capital gain derived from a Note. The deemed return amounts to 4 per cent. of the value of the individual's net assets as at the beginning of the relevant fiscal year (including the Note). Subject to application of certain allowances, the deemed return will be taxed at a rate of 30 per cent.

Non-residents

A holder of a Note which is not, is not deemed to be, and – in case the holder is an individual – has not elected to be treated as, resident in The Netherlands for the relevant tax purposes will not be subject to taxation on income or a capital gain derived from a Note unless:

- (i) the income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands and the holder of a Note derives profits from such enterprise (other than by way of securities); or
- (ii) the holder is an individual and the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

3. Gift or Inheritance Taxes

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

- (i) the holder of a Note is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions.

4. Value Added Tax

The issuance or transfer of a Note, and payments of interest and principal under a Note, will not be subject to value added tax in The Netherlands.

5. Other Taxes and Duties

The subscription, issue, placement, allotment, delivery or transfer of a Note will not be subject to registration tax, stamp duty or any other similar tax or duty payable in The Netherlands.

6. Residence

A holder of a Note will not be, or deemed to be, resident in The Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Note or the execution, performance, delivery and/or enforcement of a Note.

7. EU Council Directive on Taxation of Savings Income

In accordance with EC Council Directive 2003/48/EC on the taxation of savings income, The Netherlands will provide to the tax authorities of another EU member state (and certain non-EU countries and associated territories specified in said directive) details of payments of interest or other similar income paid by a person within The Netherlands to, or collected by such a person for, an individual resident in such other state.

II LUXEMBOURG TAXATION

The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon the law as in effect on the date of this Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

All payments of interest and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes, which are not profit sharing, can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to:

- (i) the application of the Luxembourg law of 21 June 2005 implementing the European Union Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "**EU Savings Directive**") and several agreements concluded with certain dependent or associated territories and providing for the possible application of a withholding tax (35% from 1 July 2011) on interest paid to certain non Luxembourg resident investors (individuals and certain types of entities called "**Residual Entities**") in the event of the Issuer appointing a paying agent in Luxembourg within the meaning of the above-mentioned directive (see, paragraph "EU Savings Directive" below) or agreements;
- (ii) the application as regards Luxembourg resident individuals of the Luxembourg law of 23 December 2005 which has introduced a 10% withholding tax on savings income (i.e. with certain exemptions, savings income within the meaning of the Luxembourg law of 21 June 2005 implementing the EU Savings Directive) paid by a paying agent within the meaning of the EU Savings Directive established in Luxembourg.

Pursuant to the law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals can opt to self declare and pay a 10 per cent. tax on savings income paid by paying agents located in a Member State of the European Union other than Luxembourg, a Member State of the European Economic Area or in a State or territory which has concluded an agreement directly relating to the EU Savings Directive on the taxation of savings income.

The 10 per cent. withholding tax as described above or the 10 per cent. tax are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 21 June 2005 and 23 December 2005 is assumed by the Luxembourg paying agent within the meaning of these laws and not by the Issuer.

III EU SAVINGS DIRECTIVE

Under the EU Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income (within the meaning of the EU Savings Directive) paid by a paying agent in the meaning of the Directive within its jurisdiction to, or collected by such a paying agent for, an individual resident or certain types of entity called "residual entities", within the meaning of Article 4.2 of the EU Savings Directive (the "**Residual Entity**" or "**Residual Entities**"), established in that other Member State. However, for a transitional period, Austria and Luxembourg may instead apply (unless during that period they elect otherwise) a withholding system in relation to such payments, deducting tax at rates rising over time to 35%, unless in the case of Luxembourg the beneficial owner of the interest payments opts for one of the two information exchange procedures available. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent in the meaning of the EU Savings Directive within its jurisdiction to, or collected by such a person for, an individual resident or entity Residual Entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a paying agent in the meaning of the EU Savings Directive in a Member State to, or collected by such a paying agent for, an individual resident or a Residual Entity established in one of those territories.

On 13 November 2008 the European Commission published a proposal for amendments to the EU Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the EU Savings Directive, they may amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement dated 20 June 2012 (such agreement, as further amended, restated and/or supplemented, the "Programme Agreement"), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "Form of the Notes" and "Terms and Conditions of the Notes" above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme.

United States

The Notes have not been or 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 may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

Each Dealer has severally represented and agreed and each further Dealer appointed under the Programme will be required to severally represent and agree that, except as permitted by the Programme Agreement, and as described below, it will not offer, sell or deliver the Notes of any Series (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution as determined and certified by such Dealer (or, in the case of a sale of Notes to one or more dealers on a syndicated basis, by the Dealer acting as lead manager), of all Notes of the Tranche of which such Notes are a part 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 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. Each Dealer has represented and agreed that neither it, its affiliates (as defined in Rule 405 of the Securities Act) or any person acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Terms used in the preceding paragraph and in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of any Tranche of Notes, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

In respect of Bearer Notes where TEFRA D is specified in the applicable Final Terms, each relevant Dealer represents, undertakes and agrees that:

- (a) except to the extent permitted under the United States Treasury Regulation Section 1.163-5(c)(2)(i)(D) (the "**D Rules**"), (i) it has not offered or sold, and during the restricted period it will not offer or sell, any Bearer Notes to a person who is within the United States or its possessions or to a United States person, and (ii) it has not delivered and it will not deliver within the United States or its possessions definitive Bearer Notes that are sold during the restricted period;
- (b) it has, and throughout the restricted period it will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, it is acquiring Bearer Notes for purposes of resale in connection with their original issuance and if it retains Bearer Notes for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation Section 1.163-5(c)(2)(i)(D)(6);
- (d) with respect to each affiliate that acquires Bearer Notes from it for the purpose of offering or selling such Notes during the restricted period, it repeats and confirms the representations and agreements contained in clauses (a), (b) and (c) on such affiliate's behalf or agrees that it will obtain from such affiliate for the benefit of the Issuer, the representations, undertakings and agreements contained in clauses (a), (b) and (c); and
- (e) each Dealer agrees that it will obtain from any distributor (within the meaning of United States Treasury Regulation Section 1.163-5(c)(2)(i)(D)(4)(ii)) that purchases any Bearer Notes from it

pursuant to a written contract with such Dealer, for the benefit of the Issuer and each other Dealer, the representations contained in, and such distributor's agreement to comply with, the provisions of clauses (a), (b), (c), (d) and (e) as if such distributor were a Dealer hereunder.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") and regulations thereunder, including the D Rules.

In respect of Bearer Notes where TEFRA C is specified in the applicable Final Terms, each relevant Dealer represents, undertakes and agrees that:

- (a) it understands that under United States Treasury Regulation Section 1.163-5(c)(2)(i)(C) (the "**C Rules**"), Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance;
- (b) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any Bearer Notes within the United States or its possessions in connection with the original issuance of the Bearer Notes; and
- (c) in connection with the original issuance of the Bearer Notes it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such prospective purchaser or such Dealer is within the United States or its possessions and will not otherwise involve the United States office of such Dealer in the offer and sale of the Bearer Notes.

Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules.

Each issue of Index Linked Notes, Dual Currency Notes, Equity Linked Notes, Currency Linked Notes, Fund Linked Notes, Commodity Linked Notes, Inflation Linked Notes and other structured Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree, as indicated in the applicable Final Terms.

Each relevant Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, 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 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 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 or Dealers 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, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (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 would not, if it was not an authorised person, apply to the Issuer; and
- (b) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, each Dealer has undertaken that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

The Netherlands

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that Zero Coupon Notes (as defined below) in definitive form 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. in full compliance with the Dutch Savings Certificates Act (*Wet inzake Spaarbewijzen*) of 21 May 1985 (as amended). No such mediation is required in respect of (a) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (b) the transfer and acceptance of Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Series or Tranche are issued outside The Netherlands and are not distributed into The Netherlands in the course of their initial distribution or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatscourant* 129) (as amended), each transfer and acceptance should be recorded in a transaction Note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For the purposes of this paragraph "Zero Coupon Notes" means Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it 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 The Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:

- (a) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands; or
- (b) standard exemption logo and wording are disclosed as required by article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**FMSA**"); or
- (c) such offer is otherwise made in circumstances in which article 5:20(5) of the FMSA is not applicable,

provided that no such offer of Notes 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 expressions (i) an "offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them above in the paragraph headed with "European Economic Area".

Republic of Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that, save as set out below, it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in a solicitation to the public and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Accordingly, each of the Dealers has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of this Base Prospectus and any other document relating to the Notes in the Republic of Italy except:

- (i) to "qualified investors", as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Decree No. 58**") and in Articles 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**");
- (ii) that it may offer, sell or deliver Notes or distribute copies of any prospectus relating to such Notes in a solicitation to the public in the period commencing on the date of publication of such prospectus, provided that such prospectus has been approved in another Relevant Member State and notified to CONSOB, all in accordance with the Directive 2003/71/EC of 4 November 2003 (the "**Prospectus Directive**") and the Directive 2010/73/EU of 24 November 2010 (the "**Amending Directive**"), as implemented in Italy under Decree 58 and Regulation No. 11971, and ending on the date which is 12 months after the date of approval of such prospectus; and
- (iii) in any other circumstances where an express exemption from compliance with the solicitation restrictions applies, as provided under Decree No. 58 or Regulation No. 11971.

Any such offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and
- (b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

Provisions relating to the secondary market in Italy

Investors should also note that, in any subsequent distribution of the Notes in the Republic of Italy (with a minimum denomination lower than €50,000 - or €100,000 from 1st July 2012 - or its equivalent in another currency), Article 100-bis of Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, where the Notes are placed solely with "qualified investors" and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under Decree No. 58 applies.

Luxembourg

The Notes may not be offered or sold to the public within the territory of the Grand-Duchy of Luxembourg unless

- (i) a prospectus has been duly approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") pursuant to part II of the Luxembourg law dated 10 July 2005 on prospectuses for securities (the "**Luxembourg Prospectus Law**"), as amended from time to time and implementing the Prospectus Directive EC 2003/71 (the "**Prospectus Directive**") if Luxembourg is the home Member State as defined under the Luxembourg Prospectus Law; or
- (ii) if Luxembourg is not the home member state, the CSSF has been notified by the competent authority in the home member state that a prospectus in relation to the Notes has been duly approved in accordance with the Prospectus Directive; or
- (iii) the offer of Notes benefits from an exemption to or constitutes a transaction not subject to, the requirement to publish a prospectus under the Luxembourg Prospectus Law, as amended from time to time.

General

Each Dealer has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Programme Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "General" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

GENERAL INFORMATION

Authorisation

The continued establishment of the Programme and the issue of Notes under the Programme have been duly authorised by a resolution of the Managing Board of LPCorp dated 18 June 2012. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer have been given for the issue of Notes and for the Issuer to undertake and perform their obligations under the Programme Agreement, the Agency Agreement and the Notes.

Listing

Application may be made for the Notes to be issued under the Programme to be admitted to trading on NYSE Euronext in Amsterdam or on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) and any other regulated market within the EEA as specified in the applicable Final Terms.

For listing purposes, the Luxembourg Stock Exchange has allocated the number 12014 to the Programme.

Documents Available

For the period of twelve (12) months following the publication of this Base Prospectus, copies of the following documents will, when published, be available free of charge during normal office hours from the registered offices of the Issuer and from the specified office of the Agent:

- (i) the articles of association (*statuten*) of the Issuer and an English translation thereof;
- (ii) the publicly available audited consolidated and unconsolidated annual financial statements (including the auditor's reports thereon) for the two most recent financial years of LPCorp and the most recently available published unaudited semi-annual financial statements of LPCorp (in English);
- (iii) the Programme Agreement and the Agency Agreement (which contains the forms of the temporary and permanent global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons);
- (iv) a copy of this Base Prospectus and any further prospectus or prospectus supplement prepared by the Issuer for the purpose of updating or amending any information contained herein or therein;
- (v) the Final Terms for each Tranche of Notes which are offered to the public or admitted to trading on a regulated market;
- (vi) in the case of each issue of Notes which are listed or admitted to trading and are subscribed for pursuant to a subscription agreement (or equivalent document), the relevant subscription agreement (or equivalent document); and
- (vii) the 2010 Conditions and the 2011 Conditions.

Clearing and Settlement Systems

The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg and the Clearnet S.A. Amsterdam Branch Stock Clearing. The appropriate common code and ISIN code for each Tranche allocated by Euroclear, Clearstream, Luxembourg and the Clearnet S.A. Amsterdam Branch Stock Clearing, and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

Significant or Material Change

There has been no significant change in the financial or trading position of the Issuer, or the Issuer and the group of companies headed by the Issuer taken as a whole, and there has been no material adverse change in the prospects of the Issuer, or the Issuer and its subsidiaries taken as a whole, since 31 December 2011.

Litigation

The Issuer is not aware of any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) in the twelve (12) months

preceding the date of this Base Prospectus, which may have or have had in the recent past a significant effect on the financial position or profitability of the Issuer or the Issuer and the group of companies headed by the Issuer taken as a whole.

Conditions for Determining Price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Auditors

PricewaterhouseCoopers Accountants N.V. have audited LPCorp's accounts, without qualification, in accordance with generally accepted auditing standards in The Netherlands for the financial year ending 31 December 2009, 2010 and 2011 and issued unqualified reports thereon.

The PricewaterhouseCoopers Accountants N.V. audit partner signing the accounts is registered with the Dutch Organisation of Accountants (*Nederlandse Beroepsorganisatie van Accountants*). PricewaterhouseCoopers Accountants N.V. business address is Thomas R. Malthusstraat 5, 1066 JR Amsterdam, P.O. Box 90357, 1006 BJ Amsterdam, The Netherlands.

PricewaterhouseCoopers Accountants N.V. has given its consent to the inclusion in the Base Prospectus of the incorporation by reference of their auditor's report(s).

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

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Registered office of the Issuer

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Paying agents

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To the Dealers in The Netherlands

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Auditor

PricewaterhouseCoopers Accountants N.V.

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Amsterdam listing agent

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Dealers

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Banco Bilbao Vizcaya Argentaria, S.A.

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