

**FIRST SUPPLEMENT DATED 17 AUGUST 2018
TO THE BASE PROSPECTUS DATED 5 JULY 2018**



ABN AMRO Bank N.V.

(incorporated in The Netherlands with its statutory seat in Amsterdam and registered in the Commercial Register of the Chamber of Commerce under number 34334259)

Programme for the Issuance of Medium Term Notes

Supplement to the Base Prospectus dated 5 July 2018

This supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the base prospectus dated 5 July 2018 issued by ABN AMRO Bank N.V. (the "**Base Prospectus**"). The Base Prospectus has been issued by ABN AMRO Bank N.V. in respect of a Programme for the Issuance of Medium Term Notes. This Supplement, together with the Base Prospectus, constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council (as amended, the "**Prospectus Directive**"). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference into the Base Prospectus, the statements in (a) above will prevail.

ABN AMRO Bank N.V. accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, such information is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Arranger

ABN AMRO

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Supplement or the Base Prospectus, the applicable Final Terms or any document incorporated by reference herein or therein, or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any Dealer.

This Supplement and the Base Prospectus do not, and are not intended to, constitute an offer to sell or a solicitation of an offer to buy any of the Notes by or on behalf of the Issuer or the Arranger or any Dealer in any jurisdiction in which such offer or solicitation is not authorised or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Neither this Supplement, the Base Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer, the Arranger or any Dealer that any recipient of this Supplement, the Base Prospectus or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Arranger or any Dealer in their capacity as such. 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.

Neither the delivery of this Supplement, the 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 dates thereof or that any other information supplied in connection with the Programme or the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and any Dealer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme.

The Issuer, the Arranger and any Dealer do not represent that this Supplement or the 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, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuer, the Arranger or any Dealer appointed under the Programme which is intended to permit a public offering of the Notes or distribution of this Supplement or the Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Supplement, the Base Prospectus, together with its attachments, nor any advertisement or other offering material may be distributed or published in any jurisdiction where such distribution and/or publication would be prohibited and each Dealer (if any) will be required to represent that all offers and sales by it will be made on these terms.

The distribution of this Supplement and the Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Supplement, the Base Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. See "Subscription and Sale" on pages 155 through 164 of the Base Prospectus. In particular, 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 other jurisdiction of the United States. The Notes are in bearer form and are subject to United States tax law requirements.

Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

So long as the Base Prospectus and this Supplement are valid as described in Article 9 of the Prospectus Directive, copies of this Supplement and the Base Prospectus, together with the other documents listed in "Documents incorporated by reference" on pages 60 and 61 of the Base Prospectus will be available free of charge during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the Issuer (at its registered office at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands, by telephone +31 20 6282282 or by e-mail: investorrelations@nl.abnamro.com).

AMENDMENTS OR ADDITIONS TO THE BASE PROSPECTUS

On 9 August 2018 ABN AMRO Bank N.V. published a first supplement to the registration document of ABN AMRO Bank N.V. dated 5 July 2018 (the "**Registration Document**"). A copy of the first supplement to the Registration Document has been filed with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) and, by virtue of this Supplement, the first supplement to the Registration Document is incorporated in, and forms part of, the Base Prospectus.

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus shall be amended and/or supplemented in the manner described below. References to page numbers are to the pages of the Base Prospectus.

1. In "*Documents incorporated by reference*", on page 35, the first paragraph under (a) shall be replaced with the following wording:

"(a) the registration document of the Issuer dated 5 July 2018, as supplemented by the first supplement dated 9 August 2018 (the "**Registration Document**") including, for the purpose of clarity, the following items incorporated by reference therein:"

2. In "*Documents incorporated by reference*", on page 36, under paragraph (a) the following new subparagraphs (xi) and (xii) shall be inserted (with deletion of "and" at the end of subparagraph (ix) and replacement of "," at the end of subparagraph (x) with ";");

"(xi) ABN AMRO Group N.V.'s report titled "*Interim Report & Quarterly Report Second quarter 2018 ABN AMRO Group N.V.*" for the first half of the financial year ended 30 June 2018 excluding the specific chapters titled: "*Message from the CEO*", "*Responsibility statement*" and "*Enquiries*". The information set out therein is unaudited;

"(xii) ABN AMRO Bank N.V.'s report titled "*Interim Financial Report 2018 ABN AMRO Bank N.V.*" for the first half of the financial year ended 30 June 2018 excluding the specific chapters titled: "*Responsibility statement*" and "*Enquiries*".

3. In the Section "*Risk Factors*" on page 8, the last two paragraph of the risk factor "*The regulation and reform of "benchmarks" (including LIBOR and EURIBOR) may adversely affect the liquidity and value of, and return on, Notes linked to or referencing such "benchmarks"*." shall in their entirety be replaced by the following two paragraphs:

"Investors should be aware that, if LIBOR or any other benchmark were discontinued or otherwise unavailable, the rate of interest on any Notes which reference any such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the relevant benchmark rate is to be determined under the Terms and Conditions of the Notes, this may (i) be reliant upon the provision by reference banks of offered quotations for such rate which, depending on market circumstances, may not be available at the relevant time, (ii) be reliant on the Independent Advisor or the Issuer being able to determine a Successor Reference Rate or an Alternative Reference Rate (each as defined in the Terms and Conditions of the Notes) or (iii) result in the effective application of a fixed rate based on the rate which applied in the previous period

when the relevant benchmark was available. It is possible that the Issuer may itself determine a fall-back interest rate. In such case, the Issuer will make such determinations and adjustments as it deems appropriate, in accordance with the Terms and Conditions of the Notes. In making such determinations and adjustments, the Issuer may be entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.

Uncertainty as to the continuation of a benchmark, the availability of quotes from reference banks to allow for the continuation of the benchmark rate on any Notes, the ability of any agent or the Issuer to establish a fall-back interest rate for any Notes (including the possibility that a license or registration may be required for such agent or the Issuer under the relevant legislation), and the rate that would be applicable if the relevant benchmark is discontinued may adversely affect the trading market and the value of the Notes and the determination of any successor rate could lead to economic prejudice or benefit (as applicable) to investors. At this time, it is not possible to predict what the effect of these developments will be or what the impact on the value of the Notes will be. More generally, any of the above changes or any other consequential changes to LIBOR, EURIBOR or any other "benchmark" as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the liquidity and value of, and return on, any Notes based on or linked to a "benchmark".

4. In the Section "*Form of Senior Preferred Notes Final Terms*", on page 49, the following new line item shall be inserted in item 14 (*Fixed Rate Note Provisions*):

"(vii) Reference Rate Determination: [Yes/No]
- Reference Rate Replacement: [Applicable/Not Applicable]
(*Only applicable in case of Fixed Rate Notes that are subject to a reset.*)".

5. In the Section "*Form of Senior Preferred Notes Final Terms*", on page 49, the following new line item shall be inserted in item 15(viii) (*Screen Rate Determination*):

"- Reference Rate Replacement: [Applicable/Not Applicable]".

6. In the Section "*Terms and Conditions of the Senior Preferred Notes*", on page 63, the penultimate paragraph of Condition 3(a) (*Interest on Fixed Rate Notes*) shall be replaced with the following paragraph:

"Where Mid Swap Rate or Swap Offer Rate and Reference Rate Replacement are specified in the applicable Final Terms as being applicable and the Agent is unable to determine the applicable Mid Swap Rate or Swap Offer Rate at the relevant time, the applicable Mid Swap Rate or Swap Offer Rate will be the rate as determined in accordance with Condition 3(d) (*Reference Rate Replacement*), **provided that**, if no such rate can be determined in accordance with Condition 3(d) (*Reference Rate Replacement*) or if Reference Rate Replacement is not specified in the applicable Final Terms as being applicable, the applicable

Mid Swap Rate or Swap Offer Rate will be the rate as last applied in relation to the Senior Preferred Notes in respect of the immediately preceding Fixed Interest Period."

7. In the Section "*Terms and Conditions of the Senior Preferred Notes*", on page 70, the following new Condition 3(d) shall be inserted:

"Condition 3(d) - Reference Rate Replacement

If:

- (i) Reference Rate Replacement is specified in the applicable Final Terms as being applicable and Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate(s) of Interest is/are to be determined; and
- (ii) the Calculation Agent (in consultation with the Issuer) determines that the Reference Rate has ceased to be published on the Relevant Screen Page as a result of the Reference Rate ceasing to be calculated or administered when any Rate of Interest (or component thereof) remains to be determined by reference to the Reference Rate,

then the following provisions shall apply to the relevant Series of Senior Preferred Notes:

- (1) the Issuer shall use reasonable endeavors to appoint an Independent Adviser to determine:
 - (A) a Successor Reference Rate; or
 - (B) if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the "**IA Determination Cut-off Date**"), for the purposes of determining the Rate of Interest applicable to the Senior Preferred Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 3(d) during any other future Interest Period(s));

- (2) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Reference Rate (in accordance with Condition 3(d)(1)) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) shall use reasonable endeavors to determine:
 - (A) a Successor Reference Rate; or
 - (B) if the Issuer fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) no later than three Business Days prior to the Interest Determination Date relating to the next Interest Period (the "**Issuer Determination Cut-off Date**"), for the purposes of determining the Rate of Interest applicable to the Senior Preferred Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 3(d) during any other future Interest Period(s)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative

Reference Rate and/or any Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

- (3) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 3(d):
 - (A) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 3(d));
 - (B) if the relevant Independent Adviser or the Issuer (as applicable) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines to the best of its knowledge and capability (acting in good faith and in a commercially reasonable manner) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 3(d)); and
 - (C) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:
 - (x) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Relevant Financial Centre and/or Relevant Screen Page applicable to the Senior Preferred Notes and (2) the method for determining the fallback to the Rate of Interest in relation to the Senior Preferred Notes if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and
 - (y) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Senior Preferred Notes for all future Interest Periods (subject to the subsequent operation of this Condition 3(d)); and

- (4) promptly following the determination of (i) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (ii) if applicable, any Adjustment Spread, the Issuer shall give notice thereof and of any changes (and the effective date thereof) pursuant to Condition 3(d)(3)(C) to the Fiscal Agent, the Calculation Agent and the Senior Preferred Noteholders in accordance with Condition 12 (*Notices*).

No consent of the Senior Preferred Noteholders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate or Adjustment Spread (as applicable) as described in this Condition 3(d) or such other relevant changes pursuant to Condition 3(d)(3)(C), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Senior Preferred Notes Agency Agreement.

If a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 3(d) on or before the relevant Issuer Determination Cut-off Date, then the Rate of Interest for the next Interest Period shall be determined by reference to the fallback provisions of Condition 3(b)(ii)(B) (*Screen Rate Determination*).

An Independent Adviser appointed pursuant to this Condition 3(d) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Transfer Agent, the Registrars, the Paying Agents, the Calculation Agent, the Exchange Rate Agent or the Senior Preferred Noteholders for any determination made by it (or not made by it) pursuant to this Condition 3(d).

As used in this Condition 3(d):

"Adjustment Spread" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the relevant Independent Adviser or the Issuer (as applicable) determines is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Senior Preferred Noteholders as a result of the replacement of the Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognized or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognized or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

"Alternative Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest in respect of notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Periods, or, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other

rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Reference Rate.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"Reference Rate" has the meaning given in the applicable Final Terms and shall be LIBOR, EURIBOR, Mid Swap Rate or Swap Offer Rate as specified in the applicable Final Terms, subject as provided in Condition 3(d) (*Reference Rate Replacement*).

"Relevant Nominating Body" means, in respect of a reference rate:

- (i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof.

"Successor Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body."

8. In the Section "*Form of Senior Non-Preferred Notes Final Terms*", on page 87, the following new line item shall be inserted in item 15 (*Fixed Rate Note Provisions*):

"(vii) Reference Rate Determination: [Yes/No]

- Reference Rate Replacement: [Applicable/Not Applicable]

(Only applicable in case of Fixed Rate Notes that are subject to a reset.)"

9. In the Section "*Form of Senior Non-Preferred Notes Final Terms*", on page 88, the following new line item shall be inserted in item 16(viii) (*Screen Rate Determination*):

"- Reference Rate Replacement: [Applicable/Not Applicable]"

10. In the Section "*Terms and Conditions of the Senior Non-Preferred Notes*", on page 102, the penultimate paragraph of Condition 3(a) (*Interest on Fixed Rate Notes*) shall be replaced with the following paragraph:

"Where Mid Swap Rate or Swap Offer Rate and Reference Rate Replacement are specified in the applicable Final Terms as being applicable and the Agent is unable to determine the applicable Mid Swap Rate or Swap Offer Rate at the relevant time, the applicable Mid Swap Rate or Swap Offer Rate will be the rate as determined in accordance with Condition 3(d)

(*Reference Rate Replacement*), **provided that**, if no such rate can be determined in accordance with Condition 3(d) (*Reference Rate Replacement*) or if Reference Rate Replacement is not specified in the applicable Final Terms as being applicable, the applicable Mid Swap Rate or Swap Offer Rate will be the rate as last applied in relation to the Senior Non-Preferred Notes in respect of the immediately preceding Fixed Interest Period."

11. In the Section "*Terms and Conditions of the Senior Non-Preferred Notes*", on page 109, the following new Condition 3(d) shall be inserted:

"Condition 3(d) - Reference Rate Replacement

If:

- (i) Reference Rate Replacement is specified in the applicable Final Terms as being applicable and Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate(s) of Interest is/are to be determined; and
- (ii) the Calculation Agent (in consultation with the Issuer) determines that the Reference Rate has ceased to be published on the Relevant Screen Page as a result of the Reference Rate ceasing to be calculated or administered when any Rate of Interest (or component thereof) remains to be determined by reference to the Reference Rate,

then the following provisions shall apply to the relevant Series of Senior Non-Preferred Notes:

- (1) the Issuer shall use reasonable endeavors to appoint an Independent Adviser to determine:
 - (A) a Successor Reference Rate; or
 - (B) if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the "**IA Determination Cut-off Date**"), for the purposes of determining the Rate of Interest applicable to the Senior Non-Preferred Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 3(d) during any other future Interest Period(s));

- (2) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Reference Rate (in accordance with Condition 3(d)(1)) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) shall use reasonable endeavors to determine:
 - (A) a Successor Reference Rate; or
 - (B) if the Issuer fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) no later than three Business Days prior to the Interest Determination Date relating to the next Interest Period (the "**Issuer Determination Cut-off Date**"), for the purposes of determining the Rate of Interest applicable to the Senior Non-Preferred Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 3(d) during any other future Interest Period(s)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative Reference Rate and/or any Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

- (3) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 3(d):
- (A) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 3(d));
 - (B) if the relevant Independent Adviser or the Issuer (as applicable) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines to the best of its knowledge and capability (acting in good faith and in a commercially reasonable manner) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 3(d)); and
 - (C) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:
 - (x) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Relevant Financial Centre and/or Relevant Screen Page applicable to the Senior Non-Preferred Notes and (2) the method for determining the fallback to the Rate of Interest in relation to the Senior Non-Preferred Notes if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and
 - (y) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Senior Non-Preferred Notes for all future Interest Periods (subject to the subsequent operation of this Condition 3(d)); and

- (4) promptly following the determination of (i) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (ii) if applicable, any Adjustment Spread, the Issuer shall give notice thereof and of any changes (and the effective date thereof) pursuant to Condition 3(d)(3)(C) to the Fiscal Agent, the Calculation Agent and the Senior Non-Preferred Noteholders in accordance with Condition 12 (*Notices*).

No consent of the Senior Non-Preferred Noteholders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate or Adjustment Spread (as applicable) as described in this Condition 3(d) or such other relevant changes pursuant to Condition 3(d)(3)(C), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Senior Non-Preferred Notes Agency Agreement.

If a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 3(d) on or before the relevant Issuer Determination Cut-off Date, then the Rate of Interest for the next Interest Period shall be determined by reference to the fallback provisions of Condition 3(b)(ii)(B) (*Screen Rate Determination*).

An Independent Adviser appointed pursuant to this Condition 3(d) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Transfer Agent, the Registrars, the Paying Agents, the Calculation Agent, the Exchange Rate Agent or the Senior Non-Preferred Noteholders for any determination made by it (or not made by it) pursuant to this Condition 3(d).

Notwithstanding any other provision of this Condition 3(d), no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Senior Non-Preferred Notes will be made pursuant to this Condition 3(d), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

- (i) prejudice the qualification of the Senior Non-Preferred Notes as MREL Eligible Liabilities; and/or
- (ii) result in the Competent Authority treating the next Interest Payment Date as the effective maturity of the Senior Non-Preferred Notes, rather than the relevant Maturity Date.

Any amendment to the Conditions pursuant to this Condition 3(d) is subject to the prior written permission of the Competent Authority and/or the relevant Resolution Authority (**provided that**, at the relevant time, such permission is required to be given).

As used in this Condition 3(d):

"Adjustment Spread" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the relevant Independent Adviser or the Issuer (as applicable) determines is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Senior Non-Preferred Noteholders as a result of the replacement of the Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognized or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognized or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

"Alternative Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest in respect of notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Periods, or, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Reference Rate.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"Reference Rate" has the meaning given in the applicable Final Terms and shall be LIBOR, EURIBOR, Mid Swap Rate or Swap Offer Rate as specified in the applicable Final Terms, subject as provided in Condition 3(d) (*Reference Rate Replacement*).

"Relevant Nominating Body" means, in respect of a reference rate:

- (i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof.

"Successor Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body."

12. In the Section "*Form of Subordinated Notes Final Terms*", on page 129, the following new line item shall be inserted in item 14 (*Fixed Rate Note Provisions*):

"(vii) Reference Rate Determination: [Yes/No]

- Reference Rate Replacement: [Applicable/Not Applicable]

(*Only applicable in case of Fixed Rate Notes that are subject to a reset.*)".

13. In the Section "*Form of Subordinated Notes Final Terms*", on page 129, the following new line item shall be inserted in item 15(viii) (*Screen Rate Determination*):

"- Reference Rate Replacement: [Applicable/Not Applicable]".

14. In the Section "*Terms and Conditions of the Subordinated Notes*", on page 145, the penultimate paragraph of Condition 3(a) (*Interest on Fixed Rate Notes*) shall be replaced with the following paragraph:

"Where Mid Swap Rate or Swap Offer Rate and Reference Rate Replacement are specified in the applicable Final Terms as being applicable and the Agent is unable to determine the applicable Mid Swap Rate or Swap Offer Rate at the relevant time, the applicable Mid Swap Rate or Swap Offer Rate will be the rate as determined in accordance with Condition 3(d) (*Reference Rate Replacement*), **provided that**, if no such rate can be determined in accordance with Condition 3(d) (*Reference Rate Replacement*) or if Reference Rate Replacement is not specified in the applicable Final Terms as being applicable, the applicable Mid Swap Rate or Swap Offer Rate will be the rate as last applied in relation to the Subordinated Notes in respect of the immediately preceding Fixed Interest Period."

15. In the Section "*Terms and Conditions of the Subordinated Notes*", on page 152, the following new Condition 3(d) shall be inserted:

"Condition 3(d) - Reference Rate Replacement

If:

- (i) Reference Rate Replacement is specified in the applicable Final Terms as being applicable and Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate(s) of Interest is/are to be determined; and
- (ii) the Calculation Agent (in consultation with the Issuer) determines that the Reference Rate has ceased to be published on the Relevant Screen Page as a result of the Reference Rate ceasing to be calculated or administered when any Rate of Interest (or component thereof) remains to be determined by reference to the Reference Rate,

then the following provisions shall apply to the relevant Series of Subordinated Notes:

- (1) the Issuer shall use reasonable endeavors to appoint an Independent Adviser to determine:
 - (A) a Successor Reference Rate; or
 - (B) if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the "**IA Determination Cut-off Date**"), for the purposes of determining the Rate of Interest applicable to the Subordinated Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 3(d) during any other future Interest Period(s));

- (2) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Reference Rate (in accordance with Condition 3(d)(1)) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) shall use reasonable endeavors to determine:
 - (A) a Successor Reference Rate; or
 - (B) if the Issuer fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) no later than three Business Days prior to the Interest Determination Date relating to the next Interest Period (the "**Issuer Determination Cut-off Date**"), for the purposes of determining the Rate of Interest applicable to the Subordinated Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 3(d) during any other future Interest Period(s)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative Reference Rate and/or any Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

- (3) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 3(d):
 - (A) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 3(d));
 - (B) if the relevant Independent Adviser or the Issuer (as applicable) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines to the best of its knowledge and capability (acting in good faith and in a commercially reasonable manner) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 3(d)); and

- (C) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:
- (x) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Relevant Financial Centre and/or Relevant Screen Page applicable to the Subordinated Notes and (2) the method for determining the fallback to the Rate of Interest in relation to the Subordinated Notes if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and
 - (y) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Subordinated Notes for all future Interest Periods (subject to the subsequent operation of this Condition 3(d)); and

- (4) promptly following the determination of (i) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (ii) if applicable, any Adjustment Spread, the Issuer shall give notice thereof and of any changes (and the effective date thereof) pursuant to Condition 3(d)(3)(C) to the Fiscal Agent, the Calculation Agent and the Subordinated Noteholders in accordance with Condition 12 (*Notices*).

No consent of the Subordinated Noteholders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate or Adjustment Spread (as applicable) as described in this Condition 3(d) or such other relevant changes pursuant to Condition 3(d)(3)(C), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Subordinated Notes Agency Agreement.

If a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 3(d) on or before the relevant Issuer Determination Cut-off Date, then the Rate of Interest for the next Interest Period shall be determined by reference to the fallback provisions of Condition 3(b)(ii)(B) (*Screen Rate Determination*).

An Independent Adviser appointed pursuant to this Condition 3(d) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Transfer Agent, the Registrars, the Paying Agents, the Calculation Agent, the Exchange Rate Agent or the Subordinated Noteholders for any determination made by it (or not made by it) pursuant to this Condition 3(d).

Notwithstanding any other provision of this Condition 3(d), no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Subordinated Notes will be made pursuant to this Condition 3(d), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

- (i) impact upon the eligibility of the Subordinated Notes for eligibility as Tier 2 Notes; and/or

- (iii) result in the Competent Authority considering such adoption and/or amendment(s) as a new issuance of the Subordinated Notes.

Any amendment to the Conditions pursuant to this Condition 3(d) is subject to the prior written permission of the Competent Authority and/or the relevant Resolution Authority (**provided that**, at the relevant time, such permission is required to be given).

As used in this Condition 3(d):

"Adjustment Spread" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the relevant Independent Adviser or the Issuer (as applicable) determines is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Subordinated Noteholders as a result of the replacement of the Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognized or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognized or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

"Alternative Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest in respect of notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Periods, or, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Reference Rate.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"Reference Rate" has the meaning given in the applicable Final Terms and shall be LIBOR, EURIBOR, Mid Swap Rate or Swap Offer Rate as specified in the applicable Final Terms, subject as provided in Condition 3(d) (*Reference Rate Replacement*).

"Relevant Nominating Body" means, in respect of a reference rate:

- (i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof.

"Successor Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body."