

PREFERENCE SHARE SERIES MEMORANDUM

Dated 28 July 2020

SERIES MEMORANDUM

Broadwalk Investments Limited

a private company limited by shares incorporated under the Companies Act 2006 on 24 December 2019, with registered number 12377488 (the **Issuer**)

Intertrust Corporate Services Limited (the **Corporate Administrator**)

Crédit Agricole Corporate and Investment Bank (the **Determination Agent**)

TERMS AND CONDITIONS

The terms and conditions set out in this Series Memorandum (the **Terms and Conditions** or the **Conditions**) apply solely to **Preference Shares Class 015** of the Issuer and any reference to Preference Shares in this Series Memorandum will be read accordingly.

The Terms and Conditions supplement (i) the Index Linked Preference Share Conditions set out in Annex 2 hereto and (ii) the Articles of Association of the Issuer dated 24 December 2019 (the **Articles**), as amended or supplemented from time to time, and are binding on the Issuer and Shareholders as if contained in the Articles.

KEY DEFINITIONS

The following capitalised terms will have the meaning given next to them in the tables below:

Key commercial terms	
Type of Preference Shares	Index Linked Preference Shares
Settlement Currency:	Pound sterling (GBP)
Denomination:	GBP 1.00 per Preference Share
Preference Share Issue Price:	GBP 1.00 per Preference Share
Trade Date:	16 July 2020
Preference Share Underlying Initial Observation Date:	26 August 2020
Preference Share Issue Date:	Eight Business Days following the Preference Share Underlying Initial Observation Date and scheduled to fall on 7 September 2020
Preference Share Underlying Final Observation Date:	29 August 2028
Preference Share Redemption Date:	Ten (10) Business Days after the Preference Share Underlying Final Observation Date, which is expected to be 12 September 2028
Related Product:	Any financial product, the return on which is dependent on the value of the Preference Shares.
Related Product Issuer:	Any issuer or obligor in respect of a Related Product, or any calculation agent acting on behalf of such issuer or obligor.

Preference Share Underlying					
The Preference Share Underlying is a single index as specified in the table below (the Index):					
Index	Bloomberg Code	Index Sponsor	Exchange	Initial Level	Depository Receipts

FTSE 100 Index	UKX Index	FTSE International Limited	London Stock Exchange	the Index Level at the relevant Valuation Time on the Preference Share Underlying Initial Observation Date	Not Applicable
Initial Level:		In respect of the Index, as set out in the table above			
Final Barrier Level:		65.00% of the Initial Level			
Final Level:		In respect of the Index, the Index Level at the relevant Valuation Time on the Preference Share Underlying Final Observation Date			
Valuation Time:		Closing			

Key times and days	
Business Day:	A day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London
Observation Date:	The Preference Share Underlying Initial Observation Date, the Preference Share Underlying Early Observation Date and the Preference Share Underlying Final Observation Date.

DIVIDENDS

1. Dividends:	No dividends will be paid on the Preference Shares.
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REDEMPTION

2. Preference Share Early Redemption:	<p>A Preference Share Early Redemption Event will occur on any Preference Share Underlying Early Observation Date (as specified in the table below) if the Closing Level of the Index is greater than or equal to the relevant Early Barrier Level (as specified in the table below) that corresponds to such date.</p> <p>(a) the Determination Agent will determine the Preference Share Early Redemption Amount (as defined below) for the relevant Preference Share Underlying Early Observation Date within 5 Business Days and send a notice to the Issuer and the Shareholders stating that the Preference Shares are subject to redemption as a result of a Preference Share Early Redemption Event and specifying the Preference Share Early Redemption Amount, with a copy of such notice being addressed to any known Related Product Issuer; and</p> <p>(b) the Issuer will pay or cause to be paid the Preference Share Early Redemption Amount (as determined in accordance with this Condition) in respect of each then outstanding Preference Share to the applicable Shareholder, on the day falling 10 Business Days following the relevant Preference Share Underlying Early Observation Date.</p> <p>The Preference Share Early Redemption Amount is an amount, expressed in the Settlement Currency, equal to the Preference Share Issue Price multiplied by the Early Redemption Percentage corresponding to such Preference Share Underlying Early Observation Date, as specified in the table below.</p> <table><tr><th>Preference Share Underlying Early Observation Date</th><th>Early Barrier Level (expressed as the specified percentage of the Initial Level)</th><th>Early Redemption Percentage</th></tr><tr><td>26 August 2021</td><td>100.00%</td><td>109.25%</td></tr><tr><td>26 August 2022</td><td>100.00%</td><td>118.500%</td></tr><tr><td>29 August 2023</td><td>100.00%</td><td>127.750%</td></tr><tr><td>27 August 2024</td><td>100.00%</td><td>137.000%</td></tr><tr><td>26 August 2025</td><td>100.00%</td><td>146.250%</td></tr><tr><td>26 August 2026</td><td>100.00%</td><td>155.500%</td></tr><tr><td>26 August 2027</td><td>100.00%</td><td>164.750%</td></tr></table>	Preference Share Underlying Early Observation Date	Early Barrier Level (expressed as the specified percentage of the Initial Level)	Early Redemption Percentage	26 August 2021	100.00%	109.25%	26 August 2022	100.00%	118.500%	29 August 2023	100.00%	127.750%	27 August 2024	100.00%	137.000%	26 August 2025	100.00%	146.250%	26 August 2026	100.00%	155.500%	26 August 2027	100.00%	164.750%
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3. Final Redemption:	<p>If the Preference Shares have not been redeemed previously in accordance with Index Linked Preference Share Condition 2.6 (<i>Preference Share Early Termination Amount</i>) set out in Annex 2, the Issuer will pay, or cause to be paid, the applicable Preference Share Final Redemption Amount (as determined by the Determination Agent as of the Preference Share Underlying Final Observation Date), in respect of each then outstanding Preference Share on the Preference Share Redemption Date.</p>																								
	<p>The Preference Share Final Redemption Amount is an amount, expressed in the Settlement Currency, as follows:</p> <p>(a) if the Final Level is equal to or greater than 100.00% of the Initial Level: Preference Share Issue Price x 174.00%</p> <p>(b) otherwise, if the Final Level is equal to or greater than the Final Barrier Level: Preference Share Issue Price x 100.00%</p> <p>(c) otherwise: Preference Share Issue Price x (Final Level / Initial Level)</p>																								

PAYMENTS

4. Payments:	<p>(a) If any date on which any amount is to be determined by the Determination Agent or payable in respect of the Preference Shares is not a Business Day, such date shall be deemed to be the next following Business Day and no interest shall be paid in respect of any amount due on such adjusted date as a result of such delay.</p> <p>(b) If there is a change in law that requires that any payment on redemption of the Preference Shares becomes subject to a withholding or deduction on account of tax, then the Issuer shall also pay such additional amount as shall ensure that, after such withholding or deduction on account of tax, the Shareholder receives the amount it would have received absent such withholding or deduction on account of tax, provided that this term will not apply to any penalty, including any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the Code) or any withholding or deduction otherwise imposed pursuant to Sections 1471 through 1474 of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code.</p>
5. Conditions of Redemption and Payments:	<p>Redemptions and payments made pursuant to the Terms and Conditions will be made in accordance with the Articles and the Companies Act 2006 (including any statutory modification or re-enactment of it for the time being in force).</p>
6. Calculations and Determinations:	<p>Calculations and determinations of the Determination Agent will be conclusive and binding upon the Issuer and the Shareholders, in the absence of manifest error or proven error.</p> <p>Following the occurrence of an event giving rise to an adjustment, which is material in the opinion of the Determination Agent, or a decision made in respect of an extraordinary event affecting any Index or any other terms related to any Index, the Determination Agent shall notify (a) the Issuer and (b) the Shareholders of the relevant adjustment made or decision taken by the Determination Agent. Details of such adjustment made or decision taken can be obtained by the Shareholders upon request to the Determination Agent.</p>
7. Rounding:	<p>For the purposes of any calculations required pursuant to the Terms and Conditions, unless otherwise specified:</p> <p>(a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up);</p> <p>(b) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant shall be rounded up); and</p> <p>(c) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up). For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.</p>

8. Modifications:	<p>The Issuer may (i) modify the Terms and Conditions in any way as may be determined by ordinary resolution (as defined in the Articles), and (ii) make, without the consent of the Shareholder(s), any modification to the Terms and Conditions which:</p> <p>(a) is not prejudicial to the interests of the Shareholders; or</p> <p>(b) is of a formal, minor or technical nature or is made to correct a manifest or proven error, to cure any ambiguity or to comply with mandatory provisions of law.</p>
9. Notices:	<p>Notices to Shareholders will be delivered to the Corporate Administrator for communication by the Corporate Administrator to such Shareholders at the address for each Shareholder set out in the relevant register held by the Corporate Administrator and to the Determination Agent or such other contact as the Determination Agent may from time to time nominate to the Issuer. Any such notice will become effective on the Business Day immediately following delivery.</p>
Governing Law:	<p>The Preference Shares and any non-contractual obligations arising out of or in connection with the Preference Shares will be governed by, and shall be construed in accordance with, English law.</p>

ANNEX 1 – INDEX SPONSOR DISCLAIMER

FTSE 100 INDEX

The Preference Shares are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited (FTSE) or the London Stock Exchange Group companies (LSEG) (together the Licensor Parties) and none of the Licensor Parties make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to (i) the results to be obtained from the use of the FTSE 100 Index (the Index) (upon which the Notes are based), (ii) the figure at which the Index is said to stand at any particular time on any particular day or otherwise, or (iii) the suitability of the Index for the purpose to which it is being put in connection with the Notes. None of the Licensor Parties have provided or will provide any financial or investment advice or recommendation in relation to the Index to the Issuer or to its clients. The Index is calculated by FTSE or its agent. None of the Licensor Parties shall be (a) liable (whether in negligence or otherwise) to any person for any error in the Index or (b) under any obligation to advise any person of any error therein. All rights in the Index vest in FTSE. “FTSE®” is a trade mark of LSEG and is used by FTSE under licence.

ANNEX 2 - INDEX LINKED PREFERENCE SHARE CONDITIONS

This annex sets out additional terms and conditions for Preference Shares that are Index Linked Preference Shares.

*The following terms and conditions (the **Index Linked Preference Share Conditions**) shall apply to the Preference Shares if the applicable Series Memorandum indicates that the Preference Share Underlying is an Index or a Basket of Indices (each, as defined below). These Index Linked Preference Share Conditions are subject to completion in accordance with the applicable Series Memorandum.*

All capitalised terms that are not defined in these Index Linked Preference Share Conditions will have the meanings given to them in the applicable Series Memorandum.

References in these Index Linked Preference Share Conditions to an Index Linked Preference Share Condition are to a section or clause of these Index Linked Preference Share Conditions.

1 GENERAL DEFINITIONS RELATING TO INDEX LINKED PREFERENCE SHARES

Administrator/Benchmark Event means (a) the determination by the Determination Agent, acting in a commercially reasonable manner, and based on Benchmark Publicly Available Information that any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the relevant Index or the relevant Index Sponsor has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the relevant Issuer, the Determination Agent, the Guarantor or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Relevant Benchmark to perform its or their respective obligations under or in respect of the Securities, and (b) the notification of such determination to the relevant Issuer.

Affiliate means in relation to any entity (the **First Entity**), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes **control** means ownership of a majority of the voting power of an entity.

Averaging Date means any Observation Date specified as such in the applicable Series Memorandum.

Averaging Disruption Longstop Date means, in respect of the occurrence of a Disrupted Day, the last Index Scheduled Trading Day in the sequence of consecutive Index Scheduled Trading Days equal to the Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Observation Date.

Basket of Indices means a basket containing the Indices specified in the applicable Series Memorandum in the relative proportions as specified in the Series Memorandum.

Benchmark Publicly Available Information means, in respect of an Administrator/Benchmark Event, one or both of the following:

- (a) information received from or published by (i) the administrator or sponsor of the relevant Index or (ii) any national, regional or other supervisory or regulatory authority which is responsible for supervising the administrator or sponsor of the relevant Index or regulating the relevant Index, provided that where any information of the type described in sub-paragraphs (i) or (ii) above is not publicly available, it can only constitute Benchmark Publicly Available Information if it can be made public without violating any law, regulation, agreement, understanding or other restriction regarding the confidentiality of such information; or
- (b) information published in a Specified Public Source (regardless of whether the reader or user thereof pays a fee to obtain such information).

In relation to any information of the type described in sub-paragraph (a) above, the Determination Agent may assume that such information has been disclosed to it or its Affiliates without violating any law, regulation, agreement, understanding or other restriction regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or

understanding with the administrator or sponsor or any relevant national, regional or other supervisory or regulatory authority that would be breached by, or would prevent, the disclosure of such information to the Determination Agent or its Affiliates.

Clearance System means the clearance system specified as such for each Component Security of the relevant Index in the applicable Series Memorandum or any successor to such clearance system as determined by the Determination Agent. If the Series Memorandum does not specify a Clearance System, the Clearance System will be the principal domestic clearance system customarily used for settling trades in the relevant Component Security. If the Clearance System ceases to settle trades in such Component Security, the Determination Agent will determine what is deemed to be the relevant Clearing System.

Clearance System Business Day means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

Component Security means, in respect of an Index, each component security of that Index.

Disrupted Day means, in respect of an Index (or, in the case of a Basket of Indices, in respect of any Index comprising the Basket of Indices and observed separately):

- (1) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, any Index Scheduled Trading Day related to such Index on which: (A) any Exchange or Related Exchange fails to open for trading during its regular trading session; or (B) a Market Disruption Event has occurred; or
- (2) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, any Index Scheduled Trading Day related to such Index on which: (A) the relevant Index Sponsor fails to publish the level of that Index; (B) any Related Exchange fails to open for trading during its regular trading session; or (C) a Market Disruption Event has occurred.

Disruption Longstop Date means, in respect of the occurrence of a Disrupted Day, the last Index Scheduled Trading Day in the sequence of consecutive Index Scheduled Trading Days equal to the Maximum Days of Disruption immediately following the Scheduled Observation Date.

Exchange means, in respect of an Index:

- (a) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, each exchange or quotation system specified as such for such Index in the applicable Series Memorandum, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange); and
- (b) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, in respect of each Component Security of the Index, the exchange or quotation system on which such Component Security is mainly traded.

Exchange Business Day means either (a) in the case of a single Index, Exchange Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) the Exchange Business Day (All Indices Basis) or (ii) the Exchange Business Day (Per Index Basis) as specified in the applicable Series Memorandum. If no Exchange Business Day is specified as applying in the applicable Series Memorandum, Exchange Business Day (All Indices Basis) shall be deemed to apply for a Basket of Indices and Scheduled Trading Day (Single Index Basis) shall apply otherwise.

Exchange Business Day (All Indices Basis) means in respect of all Indices comprised in a Basket of Indices.

- (a) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum for an Index, each Index Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions in respect of such Indices,

notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or

- (b) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum for an Index, each Index Scheduled Trading Day on which:
 - (ii) each Exchange and each Related Exchange are open for trading during their respective regular trading sessions in respect of the Index to which “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; and
 - (iii) in respect of an Index to which “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum (A) the relevant Index Sponsor publishes the level of such Index; and (B) each Related Exchange is open for trading during its regular trading session in respect of such Index, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

Exchange Business Day (Per Index Basis) means in respect of any Index comprised in a Basket of Indices:

- (a) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum for such Index, any Index Scheduled Trading Day on which the relevant Exchange and Related Exchange in respect of such Index are open for trading during their respective regular trading sessions, notwithstanding such Exchange or Related Exchange closing prior to their Scheduled Closing Time; or
- (b) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum for such Index, any Index Scheduled Trading Day on which: (i) the Index Sponsor publishes the level of such Index; and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time.

Exchange Business Day (Single Index Basis) means in respect of an Index:

- (a) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, any Index Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time; or
- (b) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, any Index Scheduled Trading Day on which: (i) the relevant Index Sponsor publishes the level of such Index; and (ii) the relevant Related Exchange is open for trading during its regular trading session in respect of such Index, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time.

Index Level means in respect of any Index and a time of day, the level of such Index at such time or such day as determined by the Determination Agent, subject to adjustment from time to time in accordance with these Index Linked Preference Share Conditions.

Index Scheduled Trading Day means either (i) in the case of a single Index, Index Scheduled Trading Day (Single Index Basis) or (ii) in the case of a Basket of Indices, (a) Index Scheduled Trading Day (All Indices Basis) or (b) Index Scheduled Trading Day (Per Index Basis), in each case as specified in the applicable Series Memorandum, provided that if no such specification is made in the applicable Series Memorandum, Index Scheduled Trading Day (All Indices Basis) shall apply for a Basket of Indices and Scheduled Trading Day (Single Index Basis) shall apply otherwise.

Index Scheduled Trading Day (All Indices Basis) means, in respect of a Basket of Indices, any day on which the following conditions are met in respect of all Indices included in the Basket of Indices:

- (a) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions; and
- (b) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, any day on which: (A) the relevant Index Sponsor is scheduled to publish the level of that Index; and (B) each Related Exchange is scheduled to be open for trading for its regular trading session.

Index Scheduled Trading Day (Per Index Basis) means, in respect of an Index:

- (i) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, any day on which the relevant Exchange and Related Exchange in respect of such Index are scheduled to be open for trading for their respective regular trading sessions; or
- (ii) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, any day on which: (A) the relevant Index Sponsor is scheduled to publish the level of such Index; and (B) the Related Exchange is scheduled to be open for trading for its regular trading session.

Index Scheduled Trading Day (Single Index Basis) means, in respect of an Index:

- (i) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, any day on which the relevant Exchange and Related Exchange in respect of such Index are scheduled to be open for trading for their respective regular trading sessions; or
- (ii) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, any day on which: (A) the Index Sponsor is scheduled to publish the level of such Index; and (B) the Related Exchange is scheduled to be open for trading for its regular trading session; and

Index Sponsor means, in respect of an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and 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 Index Scheduled Trading Day, which as of the Preference Share Issue Date is the index sponsor specified for such Index in the applicable Series Memorandum.

Maximum Days of Disruption means eight (8) Index Scheduled Trading Days or such other number of Index Scheduled Trading Days specified in the applicable Series Memorandum.

Observation Date means each date specified as such in the applicable Series Memorandum, or if any such date is not an Index Scheduled Trading Day and unless otherwise specified in the applicable Series Memorandum, the immediately following Index Scheduled Trading Day unless, in the opinion of the Determination Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the provisions of Index Linked Preference Share Condition 2.1(b) (*Consequences of the occurrence of Disrupted Days*) below shall apply.

Related Exchange means, in respect of an Index, each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Index.

Scheduled Closing Time means, in respect of an Exchange or Related Exchange and an Index Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Index Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

Scheduled Observation Date means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

Settlement Cycle means the period of Clearance System Business Days following a trade in the shares underlying of the Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange (or if there are Multiple Exchanges in respect of an Index, the longest such period).

Settlement Disruption Event means, in respect of a Component Security, an event beyond the control of the Issuer as a result of which the relevant Clearance System cannot clear the transfer of such Component Security.

Specified Public Source means each source specified as such in the applicable Series Memorandum (or, if no such source is specified, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and successor publications, the main source(s) of business news in the country in which the administrator or sponsor of the Relevant Benchmark is incorporated or organised and any other internationally recognised published or electronically displayed news sources).

Trade Date means the date specified as such in the applicable Series Memorandum.

Valuation Time means:

- (i) if “Multiple Exchange” is specified as being not applicable in the applicable Series Memorandum:
 - (A) if “Closing” is specified in the applicable Series Memorandum to be applicable, the Scheduled Closing Time on the relevant Exchange on the relevant date, provided that if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time; or
 - (B) if “Intraday” is specified in the applicable Series Memorandum to be applicable, any time from the opening time for the regular trading session for the relevant Exchange or related Exchange to the Scheduled Closing Time for that Exchange or Related Exchange on the relevant date; or
- (ii) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum:
 - (A) for the purposes of determining whether a Market Disruption Event has occurred: (A) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (B) in respect of any options contracts or future contracts on the relevant Index, the close of trading on the Related Exchange; and
 - (B) in all other circumstances:
 - (I) if “Closing” is specified in the relevant Series Memorandum to be applicable, the time at which the official closing level of the relevant Index is calculated and published by the relevant Index Sponsor on the relevant date; or
 - (II) if “Intraday” is specified in the relevant Series Memorandum to be applicable, any time at which the level of the relevant Index is calculated and published by the relevant Index Sponsor from the opening time for the regular trading session for the relevant Exchange or related Exchange to the Scheduled Closing Time for that Exchange or Related Exchange on the relevant date

2 EVENTS RELATING TO INDEX LINKED PREFERENCE SHARES

2.1 Market Disruption Events, Disrupted Days and Consequences

- (a) Definitions

Early Closure means, in respect of an Index:

- (a) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, the closure on any Exchange Business Day with respect to such Index of any relevant Exchange(s) relating to Component Securities that comprise 20 per cent. or more of the level of such Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time

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

- (b) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

Exchange Disruption means, in respect of an Index:

- (a) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for on any relevant Exchange(s) in Component Securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange; or
- (b) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on the Related Exchange.

Trading Disruption means, in respect of an Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to (i) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, Component Securities that comprise 20 per cent. or more of the level of such Index on any relevant Exchange(s) or (ii) if “Multiple Exchange” is specified as being applicable in the relevant Series Memorandum, any Component Security on the Exchange in respect of such Component Security or (b) in futures or options contracts relating to such Index on any relevant Related Exchange.

Market Disruption Event means, in respect of any Index:

- (i) if “Multiple Exchange” is specified as being not applicable in the relevant Series Memorandum, the occurrence or existence of (A) a Trading Disruption which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time, (B) an Exchange Disruption which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time or (C) an Early Closure; for the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a Component Security included in such Index at any time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (I) the portion of the level of such Index attributable to that Component Security and (II) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event; or

(ii) if “Multiple Exchange” is specified as being applicable in the applicable Series Memorandum, either:

- (A) (I) the occurrence or existence in respect of any Component Security of (1) a Trading Disruption which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded, (2) an Exchange Disruption which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded, or (3) an Early Closure and (II) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the relevant Index; or
- (B) the occurrence or existence, in respect of futures or options contracts relating to the relevant Index, of: (I) a Trading Disruption which the Determination Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange; (II) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange; or (III) an Early Closure,

and for the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a Component Security included in such Index at any time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (I) the portion of the level of such Equity attributable to that Component Security and (II) the overall level of the relevant Index, in each case using the official opening weightings as published by the relevant Index Sponsor as part of the market "opening data"; and

(b) Consequences of the occurrence of Disrupted Days

(i) If an Observation Date is a Disrupted Day, then:

- (A) in the case of Index Linked Preference Shares relating to a single Index, the Determination Agent will postpone the Observation Date, in which case the Observation Date shall be the first immediately succeeding Index Scheduled Trading Day that is not a Disrupted Day (the **Index Determination Date**), unless each consecutive Index Scheduled Trading Day up to and including the Disruption Longstop Date is a Disrupted Day, in which case (I) the Disruption Longstop Date shall be deemed to be the Observation Date, notwithstanding the fact that such day is a Disrupted Day and (II) the Determination Agent shall determine the level of the Index as of the Valuation Time on the Disruption Longstop Date in accordance with the formula for and method of calculating the relevant Index last in effect prior to the occurrence of the first Disruption Day using the Exchange traded or quoted price as of the Valuation Time on the Disruption Longstop Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Disruption Longstop Date, its good faith estimate of the value of the relevant security as of the Valuation Time on that Disruption Longstop Date); and
- (B) in the case of Index Linked Preference Shares relating to a Basket of Indices:

- (I) for each Index not affected by the occurrence of a Disrupted Day, the Observation Date shall be the Scheduled Observation Date; and
 - (II) for each Index affected by the occurrence of a Disrupted Day (each an **Affected Index**), the Determination Agent will postpone the Observation Date to the next Scheduled Trading Day that is not a Disrupted Day in relation to the Affected Index, unless each consecutive Index Scheduled Trading Day up to and including the Disruption Longstop Date is a Disrupted Day relating to such Affected Index, in which case (1) the Disruption Longstop Date shall be deemed to be the Observation Date for the relevant Affected Index, notwithstanding the fact that such day is a Disrupted Day and (2) the Determination Agent shall determine the level of the relevant Affected Index as of the Valuation Time on the Disruption Longstop Date in accordance with the formula for and method of calculating the Affected 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 the Disruption Longstop Date of each security comprised in the Affected Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Disruption Longstop Date, its good faith estimate of the value of the relevant security as of the Valuation Time on that Disruption Longstop Date);
- (ii) If the Determination Agent is not able to or does not determine the level of the Index in accordance with Index Linked Preference Share Condition 2.1(b)(i)(A) or Index Linked Preference Share Condition 2.1(b)(i)(B) above, as the case may be, or if such determination would not, in the opinion of the Determination Agent, account for the occurrence of the Disrupted Day:
 - (A) the Determination Agent may make such adjustments to any of the Conditions as it considers appropriate to account for any such Disrupted Day and determine the date(s) on which any such adjustments will be effective. In making any such adjustments, the Determination Agent may take into account the equivalent adjustment(s) which would be made to an index derivative transaction in the market following the relevant event occurring and where the Determination Agent deems appropriate (in its sole and absolute discretion), adjust the Conditions to give effect to such adjustment(s); or
 - (B) the Determination Agent may determine that a Preference Share Early Termination Event has occurred, in which case Index Linked Preference Share Condition 2.6 (*Preference Share Early Termination Amount*) below shall apply.
- (iii) The Determination Agent shall give notice as soon as practicable to the Issuer of the occurrence of a Disrupted Day on any Observation Date. Such notice shall give the details of such Disrupted Day and the action proposed to be taken by the Determination Agent in relation thereto.
- (c) Averaging Date Disruption

If any Averaging Date is a Disrupted Day, then, where the consequence specified for “Averaging Date Disruption” in the applicable Series Memorandum is:

- (i) “Omission”, then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Index Level, and if through the operation of this provision no Averaging Date would occur with respect to the relevant Observation Date, Index Linked Preference Share Condition 2.1(b) will apply for purposes of determining the relevant price or amount on the final Averaging Date in

respect of that Observation Date as if such final Averaging Date were an Observation Date that was a Disrupted Day;

- (ii) “Postponement”, then Index Linked Preference Share Condition 2.1(b) will apply for purposes of determining the relevant price or amount on that Averaging Date as if such Averaging Date were an Observation Date that was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date for the relevant Index; or
- (iii) “Modified Postponement”, then:
 - (A) in the case of a Basket of Indices, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the date specified in the applicable Series Memorandum as an Averaging Date in respect of the relevant Observation Date and the Averaging Date for any Index affected by the occurrence of a Disrupted Day shall be the first succeeding Index Scheduled Trading Day in relation to such Index, and if the first succeeding Index Scheduled Trading Day has not occurred prior to the Averaging Disruption Longstop Date, then (I) the Averaging Disruption Longstop Date shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date), and (II) the Determination Agent shall determine the relevant price or amount for that Averaging Date in accordance with Index Linked Preference Share Condition 2.1(b); and
 - (B) otherwise, the Averaging Date shall be the first succeeding Index Scheduled Trading Day, and if the first succeeding Index Scheduled Trading Day has not occurred prior to the Averaging Disruption Longstop Date, then (I) the Averaging Disruption Longstop Date shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date), and (II) the Determination Agent shall determine the relevant price or amount for that Averaging Date in accordance with Index Linked Preference Share Condition 2.1(b).

2.2 Index Adjustments

(a) Successor Index / Sponsor

If an Index is (i) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Determination Agent, or (ii) replaced by a successor index using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the **Successor Index**) will be deemed to be the Index.

(b) Modification and Cessation of Calculation of an Index and Administrator/Benchmark Event

(i) If:

- (A) on or prior to an Observation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalisation and other routine events) (an **Index Modification**), or permanently cancels a relevant Index and no Successor Index exists (an **Index Cancellation**);
- (B) on any Observation Date, the Index Sponsor fails to calculate and announce a relevant Index (an **Index Disruption**); or

- (C) on or prior to any Observation Date, an Administrator/Benchmark Event occurs (together with an Index Modification, an Index Cancellation and an Index Disruption, each an **Index Adjustment Event**),
- (ii) then the Determination Agent may:
 - (A) determine to substitute the Index with a Substitution Index, where a **Substitution Index** means in relation to the Index affected by an Index Adjustment Event and at the discretion of the Determination Agent, an index whose principal terms are equivalent to those of the affected Index. Principal terms of an index include its strategy, its currency, the periodicity of its calculation and of the publication of its level, the type of its underlying assets, its geographic and economic zone or its rules; or
 - (B) determine if such Index Adjustment Event has a material effect on the Preference Shares and, if so, shall calculate the relevant level of the Index, using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Observation Date, as the case may be, as determined by the Determination Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those Component Securities that comprised that Index immediately prior to that Index Adjustment Event; or
 - (C) determine that a Preference Share Early Termination Event has occurred.

The Determination Agent shall, as soon as practicable, notify the Issuer of any determination made by it pursuant to the above and the action proposed to be taken in relation thereto.

2.3 Correction of Index Level

With the exception of any corrections published after the day which is three (3) Exchange Business Days prior to the due date for any payment under the Preference Shares calculated by reference to the level of an Index, in the event that any price or level published by the Index Sponsor and which is used for any calculation or determination made in respect of the Preference Shares is subsequently corrected and the correction is published by the Index Sponsor within one Settlement Cycle after the original publication, the Determination Agent will determine whether any relevant adjustments need to be made to the Preference Shares to account for such correction and, to the extent necessary, will adjust the terms of the Preference Shares to reflect such correction.

2.4 Additional Disruption Event

(a) Definitions

Additional Disruption Event means any of Change in Law, Hedging Disruption and/or Increased Cost of Hedging, in each case unless disappplied in the applicable Series Memorandum.

Change in Law means, after the Preference Share Issue Date, (a) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (b) 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), as a result of which the Determination agent determines in its sole and absolute discretion that (i) it has become illegal for the Issuer, any Related Product Issuer and/or any of their respective Affiliates to hold, acquire or dispose of Component Securities or relevant hedge positions relating to an Index, or (ii) the Issuer, any Related Product Issuer and/or any of their respective Affiliates will incur a materially increased cost in performing its obligations under the terms of the Preference Shares or any Related Product (or any relevant hedge positions relating to an Index) (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

Hedging Disruption means that the Issuer, any Related Product Issuer and/or any of their respective Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-

establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk including but not limited to the currency risk of the relevant Issuer, the Related Product Issuer and/or any of their respective Affiliate in issuing and performing its obligations with respect to the Preference Shares or any Related Product, or (ii) realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s).

Increased Cost of Hedging means that the relevant Issuer, any Related Product Issuer and/or any of their respective Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk including but not limited to the currency risk of the relevant Issuer, Related Product Issuer and/or any of their respective Affiliates, in issuing and performing its obligations with respect to the Preference Shares or any Related Product, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the relevant Issuer, Related Product Issuer and/or any of their respective Affiliates shall not be deemed an Increased Cost of Hedging.

(b) Consequences of the occurrence of an Additional Disruption Event

If one or more Additional Disruption Events apply and occur, the Determination Agent may either:

- (i) require the Determination Agent to make such adjustments to the Conditions as it considers appropriate in its sole and absolute discretion to account for such Additional Disruption Event and determine the date(s) on which any such adjustments will be effective; or
- (ii) determine such event to be a Preference Share Early Termination Event and request the Issuer to redeem the Preference Shares early in accordance with Condition 2.6 (*Preference Share Early Termination Amount*) below, and in such case, the Issuer shall terminate its obligations under the Preference Shares and shall pay or cause to be paid the Preference Share Early Termination Amount.

2.5 Other Events

This Condition will apply to the Preference Shares unless specified as being not applicable in the applicable Series Memorandum. Notwithstanding the foregoing provisions of these Index Linked Preference Share Conditions, if any other event occurs which the Determination Agent determines, acting in good faith, has a material effect on the Preference Shares, then:

- (a) the Determination Agent may make such adjustments to any of the Conditions as it considers appropriate to account for any such event and determine the date(s) on which any such adjustments will be effective; or
- (b) the Determination Agent may determine that a Preference Share Early Termination Event has occurred, in which case Condition 2.6 (*Preference Share Early Termination Amount*) below shall apply.

2.6 Preference Share Early Termination Amount

- (a) If the Determination Agent determines that a Preference Share Early Termination Event (as defined below) has occurred and so notifies the Issuer, then the Issuer may, but shall not be obliged to, give an irrevocable notice (an **Early Termination Notice**) to the Shareholders, with a copy addressed to any known Related Product Issuer (other than in the case of a Preference Share Early Termination Event as provided in limb (a) of the definition thereof), that all of the outstanding Preference Shares will be redeemed early. The Early Termination Notice will specify a **Preference Share Early Termination Date**, which is the date on which the early redemption will occur, and the **Preference Share Early Termination Valuation Date**, which may be any Business Day between the effective delivery date of the Early Redemption Notice and the Preference Share Early Termination Date.

Notwithstanding any other provision of these ***Index Linked Preference Share Conditions***, the Early Termination Notice may provide that some or all of the specified dates are subject to adjustment in accordance with disruption or adjustment events, as determined by the Determination Agent and, where a conflict occurs, such additional adjustment provisions will prevail.

- (b) Following the delivery of an Early Termination Notice, the Determination Agent will determine the Preference Share Early Termination Amount as at the Preference Share Early Termination Valuation Date and the Issuer will pay or cause to be paid the Preference Share Early Termination Amount in respect of each then outstanding Preference Share on the Preference Share Early Termination Date, provided that, if the Preference Share Early Termination Date is not a Business Day, the Preference Share Early Termination Date shall be the next following Business Day.

Where:

Preference Share Early Termination Amount means, in respect of each Preference Share, an amount expressed in the Settlement Currency, calculated by the Determination Agent, that is equal to (a) the fair market value of a Preference Share as of the Preference Share Early Termination Valuation Date, taking into account any factors that the Determination Agent considers appropriate, minus (b) any Associated Costs (to the extent not already reflected in such fair market value).

Associated Costs means, in respect of each Preference Share, an amount determined by the Determination Agent that is equal to such Preference Share's *pro rata* portion (calculated on the basis of the proportion of the aggregate number of Preference Shares outstanding as at the Preference Share Early Redemption Valuation Date) of an amount equal to the sum of the following:

- (a) the aggregate amount, subject to a minimum of zero, of any and all costs associated with or incurred by or to be incurred by the Issuer or the Determination Agent in connection with or arising as a result of the redemption of the Preference Shares on the Preference Share Early Termination Date rather than the Preference Share Redemption Date, all as calculated by the Determination Agent;
- (b) without duplication, an amount, subject to a minimum of zero, that the Determination Agent determines is appropriate in the context of any Related Product to take into account the total amount of any and all actual and anticipated costs associated with or expected to be incurred by a Related Product Issuer in relation to such Related Product, in each case in connection with or arising as a result of the redemption of the Preference Shares on the Preference Share Early Termination Date rather than the Preference Share Redemption Date, including, without limitation, any funding related costs and any costs associated with unwinding the Related Product and/or any hedge positions relating to such Related Product, all as calculated by the Determination Agent by reference to such source(s) as it determines appropriate; and
- (c) without duplication, an amount subject to a minimum of zero, equal to the fees and other expenses, if any, payable by the Issuer which are attributable to the Preference Shares, all as calculated by the Determination Agent.

Preference Share Early Termination Event means the occurrence of one of the following:

- (a) the Issuer or Determination Agent is notified by a Related Product Issuer that the applicable Related Product has become subject to early redemption or cancellation (other than if such redemption or cancellation is caused by the early redemption of the Preference Shares);
- (b) the Determination Agent determines that an event constituting a Preference Share Early Termination Event under Condition 2.1 (*Market Disruption Events, Disrupted Days and Consequences*), Condition 2.2 (*Index Adjustments*), Condition 2.4 (*Additional Disruption Events*) or Condition 2.5 (*Other Events*) has occurred and/or is continuing in relation to the Preference Shares; or
- (c) the performance of the Issuer's obligations in relation to the Preference Shares becomes (or has become) illegal or impractical for reasons beyond the control of the Issuer.