



**BARCLAYS BANK PLC**

*(Incorporated with limited liability in England and Wales)*

**Pursuant to the Global Structured Securities Programme**

**What is this document?**

This document (the "**Base Prospectus**") constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (and amendments thereto) (the "**Prospectus Directive**"), and is one of a number of prospectuses which relate to the Global Structured Securities Programme (the "**Programme**").

This Base Prospectus is valid for one year and may be supplemented from time to time to reflect any significant new factor, material mistake or inaccuracy relating to the information included in it.

**What type of Securities does this Base Prospectus relate to?**

This particular Base Prospectus ("**GSSP Base Prospectus 11**") relates to the issuance of securities ("**Securities**") in the form of certificates which will be redeemable by the Issuer or the investor on specified dates at a redemption amount that is linked to the performance of a specified equity index, share, depository receipt or exchange traded fund and, where applicable, may automatically redeem if the price of such underlying asset breaches a specified threshold.

The Securities will have no final redemption date.

**Who is the Issuer?**

The Securities will be issued by Barclays Bank PLC (the "**Issuer**"), which means that payments in respect of the Securities are subject to the Issuer's financial position and its ability to meet its obligations. This Base Prospectus contains information describing the Issuer's business activities as well as certain financial information and material risks faced by the Issuer.

**How do I use this Base Prospectus?**

This Base Prospectus, together with certain other documents listed within, is intended to provide investors with information necessary to enable them to make an informed investment decision before purchasing any Securities.

The contractual terms of any particular issuance of Securities will be comprised of the terms and conditions set out at pages 58 to 113 of this Base Prospectus (the "**General Conditions**"), as completed by a separate Final Terms document, which is specific to that issuance of Securities (the "**Final Terms**").

The General Conditions are comprised of five sections (A to E):

- Sections A (INTRODUCTION), B (FORM, TITLE, TRANSFER, CALCULATIONS, PAYMENTS AND SETTLEMENT) and E (GENERAL PROVISIONS) are generic provisions that apply to Securities generally;
- Sections C (SPECIFIED EARLY REDEMPTION, CALL OPTION AND PUT OPTION) and D (EQUITY LINKED CONDITIONS, DISRUPTION EVENTS AND TAXES AND EXPENSES) contain certain optional provisions that will only apply to certain issuances of Securities. The Final Terms document will specify which provisions from Section C and D apply to your Securities.

The provisions from Section C that are specified to be applicable in the Final Terms will contain the relevant terms applicable to your Securities, as follows:

- General Conditions 5.1(a) and 5.2(a) (*Specified Early Redemption*), contain details on the calculation of the redemption amount which is payable following a " Specified Early Redemption Event", if applicable;
- General Conditions 5.1(b), 5.2(b) and 5.3(a) (*Call Option*) contain details on the calculation of the redemption amount which is payable following the exercise by the Issuer of its option to redeem all of the Securities; and
- General Conditions 5.1(c), 5.2(c) and 5.3(b) (*Put Option*) contain details on the calculation of the redemption amount which is payable following the exercise by an investor of its option to require the Issuer to redeem some or all of its Securities.

This Base Prospectus also includes other general information such as information relating to the Issuer, information about the material risks relating to investing in Securities and information on selling and transfer restrictions.

All capitalised terms used will be defined in this Base Prospectus or the Final Terms.

#### **What other documents do I need to read?**

This Base Prospectus contains all information which is necessary to enable investors to make an informed decision regarding the financial position and prospects of the Issuer and the rights attaching to the Securities. Some of this information is incorporated by reference from other publicly available documents and some of this information is completed in an issue-specific document called the Final Terms. You should read the documents incorporated by reference, as well as the Final Terms in respect of such Securities, together with this Base Prospectus.

Documents will be made available at the registered office of the Issuer and at: <http://www.bmarkets.com> or such successor website as may be specified in the Final Terms and will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

#### **What information is included in the Final Terms?**

While the Base Prospectus includes general information about all Securities, the Final Terms is the document that sets out the specific details of each particular issuance of Securities. The Final Terms will contain, for example:

- the issue date;
- the "Type of Security"; and
- any other information needed to complete the terms of this Base Prospectus (identified by the words 'as specified in the Final Terms' or other equivalent wording).

Wherever the General Conditions provide optional provisions, the Final Terms will specify which of those provisions apply to a specific issuance of Securities.

#### **What type of Underlying Asset may the Securities be linked to?**

Securities issued under this Base Prospectus will be derivative securities for the purposes of the Prospectus Directive, reflecting the fact that the repayment terms shall be linked to an equity index, share, depositary receipt or exchange traded fund.



**13 June 2013**

## IMPORTANT INFORMATION

**THE TERMS AND CONDITIONS OF SOME SECURITIES WILL PROVIDE THAT THE AMOUNT REPAYABLE ON REDEMPTION MAY BE LESS THAN THE ORIGINAL INVESTED AMOUNT (AND IN SOME CASES MAY BE ZERO), IN WHICH CASE INVESTORS MAY LOSE SOME OR ALL OF THEIR ORIGINAL INVESTMENT.**

**FOR ALL SECURITIES, IF THE ISSUER BECOMES INSOLVENT OR BANKRUPT OR OTHERWISE FAILS TO MAKE ITS PAYMENT OBLIGATIONS ON THE SECURITIES, INVESTORS WILL LOSE SOME OR ALL OF THEIR ORIGINAL INVESTMENT.**

**INVESTING IN SECURITIES INVOLVES CERTAIN RISKS, AND INVESTORS SHOULD FULLY UNDERSTAND THESE BEFORE THEY INVEST. SEE "*RISK FACTORS*" ON PAGES 26 TO 41 OF THIS BASE PROSPECTUS.**

### **No Investment Advice**

Neither this Base Prospectus nor any Final Terms is or purports to be investment advice. Unless expressly agreed otherwise with a particular investor, neither the Issuer nor any Manager is acting as an investment adviser, providing advice of any other nature, or assuming any fiduciary obligation to any investor in Securities.

### **Responsibility and Consent**

The Issuer accepts responsibility for the information contained in this Base Prospectus and any Final Terms. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus and any Final Terms is in accordance with the facts and contains no omission likely to affect the import of such information.

Certain tranches of Securities may, subject as provided below, be subsequently resold, placed or otherwise offered by financial intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Directive. Any such resale, placement or offer is referred to in this Base Prospectus as a "Public Offer".

The Issuer consents to the use of this Base Prospectus and Final Terms (and accepts responsibility for the information contained in this Base Prospectus and Final Terms) with respect to any Public Offer of Securities which satisfies all of the following conditions:

- (i) the Public Offer is only made in respect of the tranche of Securities specified in the Final Terms;
- (ii) the Public Offer is only made in France, Luxembourg and/or The Netherlands ;
- (iii) the Public Offer is only made during the offer period specified in the Final Terms (the "**Offer Period**"); and
- (iv) the Public Offer is made by an entity (an "**Authorised Offeror**") which either:
  - (a) is expressly named as an Authorised Offeror in the Final Terms; or
  - (b) is a financial intermediary whose name and address is published on the Issuer's website (<http://www.bmarkets.com> or such successor website as may be specified in the Final Terms); or
  - (c) any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and satisfies all of the 'Other conditions for use of this Base Prospectus by the Authorised Offeror(s)' set out in the Final Terms.

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

The Issuer may give consent to one or more additional Authorised Offerors in respect of a Public Offer after the date of the Final Terms, discontinue or change the Offer Period, and/or remove or add conditions to

consent and, if it does so, such information will be published at <http://www.bmarkets.com> or such successor website as may be specified in the Final Terms. Any new information with respect to Authorised Offerors unknown at the time of the approval of this Base Prospectus or the filing of the Final Terms will be published and can be found at <http://www.bmarkets.com> or such successor website as may be specified in the Final Terms.

Neither the Issuer nor any Manager has any responsibility for any of the actions of any Authorised Offeror, including their compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to an offer.

Other than as set out above, neither the Issuer nor any of the Managers has authorised (nor do they authorise or consent to the use of this Base Prospectus in connection with) the making of any public offer of the Securities by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Issuer or any of the Managers or Authorised Offerors and none of the Issuer or any of the Managers or Authorised Offerors has any responsibility or liability for the actions of any person making such offers. Investors should enquire whether a financial intermediary is an Authorised Offeror. If an investor is offered Securities by a person or entity which is not an Authorised Offeror, the investor should check with such person or entity whether any entity is responsible for this Base Prospectus for the purposes of section 90 of the Financial Services and Markets Act 2000 (as amended from time to time, "FSMA") in the context of an offer of Securities to the public. If the investor is in doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, it should take legal advice.

No person has been authorised to give any information or to make any representation not contained in or inconsistent with this Base Prospectus or any Final Terms. If given or made, it must not be relied upon as having been authorised by the Issuer or any Manager. The Issuer does not accept responsibility for any information not contained in this Base Prospectus or any Final Terms.

**In the event of an offer being made by an Authorised Offeror, the Authorised Offeror will provide information to investors on the terms and conditions of the offer at the time the offer is made.**

**Any offer or sale of Securities to an investor by an Authorised Offeror will be made in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations and settlement arrangements. Where such information is not contained in this Base Prospectus or Final Terms, it will be the responsibility of the applicable financial intermediary at the time of such offer to provide the investor with that information and neither the Issuer, nor any Manager or other Authorised Offeror has any responsibility or liability for such information.**

**Any Authorised Offeror using this Base Prospectus in connection with a Public Offer as set out above is required, for the duration of the relevant Offer Period, to publish on its website that it is using this Base Prospectus for such Public Offer in accordance with the consent of the Issuer and the conditions attached thereto.**

## **Ratings**

The credit ratings included or referred to in this Base Prospectus, any Final Terms or any document incorporated by reference are, for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the "**CRA Regulation**") issued by Fitch Ratings Limited ("**Fitch**"), Moody's Investors Service Ltd. ("**Moody's**") and Standard & Poor's Credit Market Services Europe Limited ("**Standard & Poor's**"), each of which is established in the European Union and has been registered under the CRA Regulation.

As of the date of this Base Prospectus, the short term unsecured obligations of the Issuer are rated A-1 by Standard & Poor's, P-1 by Moody's, and F1 by Fitch and the long-term obligations of the Issuer are rated A+ by Standard & Poor's, A2 by Moody's, and A by Fitch.

## **Independent Evaluation**

Nothing set out or referred to in this Base Prospectus is intended to provide the basis of any credit or other evaluation (except in respect of any purchase of Securities described herein) or should be considered as a recommendation by the Issuer or any Manager that any recipient of this Base Prospectus (or any document referred to herein) should purchase any Securities.

An investor should not purchase the Securities unless they understand the extent of their exposure to potential loss. Investors are urged to read the factors described in the section headed "Risk Factors", together with the other information in this Base Prospectus (including any information incorporated by reference), as supplemented from time to time, and the Final Terms, before investing in the Securities.

Investors should note that the risks described in the section headed "Risk Factors" are not the only risks that the Issuer faces or that may arise because of the nature of the Securities. The Issuer has described only those risks relating to its operations and to the Securities that it considers to be material. There may be additional risks that the Issuer currently considers not to be material or of which it is not currently aware.

Given the nature, complexity and risks inherent in the Securities (and investments relating to any Underlying Assets), the Securities may not be suitable for an investor's investment objectives in the light of his or her financial circumstances. Investors should consider seeking independent advice to assist them in determining whether the Securities are a suitable investment for them or to assist them in evaluating the information contained or incorporated by reference into this Base Prospectus or set out in the Final Terms.

#### **US foreign account tax compliance withholding**

**THE FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA") IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE SECURITIES AND THE INVESTORS IS UNCERTAIN AT THIS TIME. INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISERS TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT EACH INVESTOR IN HIS OR HER PARTICULAR CIRCUMSTANCE, INCLUDING HOW THE FATCA RULES MAY APPLY TO PAYMENTS RECEIVED UNDER THE SECURITIES.**

#### **Change of Circumstances**

Neither the delivery of this Base Prospectus or any Final Terms, nor any sale of Securities pursuant thereto shall create any impression that information therein relating to the Issuer is correct at any time subsequent to the date thereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same (the foregoing being without prejudice to the Issuer's obligations under applicable rules and regulations). Investors should review, inter alia, the most recent consolidated financial statements and any public announcements of the Issuer when deciding whether to purchase any Securities.

#### **Representations**

In connection with the issue and sale of Securities, no person has been authorised to give any information or to make any representation not contained in or consistent with this Base Prospectus and Final Terms and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. The Issuer does not accept responsibility for any information not contained in this Base Prospectus and Final Terms. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offering or solicitation and no action is being taken to permit an offering of the Securities or the distribution of this Base Prospectus in any jurisdiction where action is required.

#### **Regulatory approval and passporting for the purposes of the EU Prospectus Directive**

This Base Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* in its capacity as competent authority in the Grand Duchy of Luxembourg (the "CSSF"), as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the Grand Duchy of Luxembourg, for the purpose of giving information with regard to the issue of Securities under the Programme on and during the period of twelve months after the date hereof.

The CSSF assumes no responsibility with regards to the economic and financial soundness of any transaction under the Programme or the quality and solvency of the Issuer in accordance with the provisions of article 7(7) of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*).

Notification of this approval will be made to the competent authorities of France and The Netherlands.

The contents of this Base Prospectus have not been reviewed or approved by any regulatory authority other than the CSSF.

### **Listing and admission to trading**

Applications may be made for the listing of Securities on the Official List of the Luxembourg Stock Exchange and for the admission to trading on the Regulated Market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).

In addition, application may be made for a listing and admission to trading of Securities on the regulated market of NYSE Euronext Paris or NYSE Euronext Amsterdam, as specified in the Final Terms.

### **Distribution**

The distribution or delivery of this Base Prospectus or any Final Terms and any offer or sale of Securities in certain jurisdictions may be restricted by law. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offering or solicitation. Other than as expressly described in this Base Prospectus, no action is being taken to permit an offering of Securities or the delivery of this Base Prospectus in any jurisdiction. Persons into whose possession this Base Prospectus or any Final Terms come are required by the Issuer to inform themselves about and to observe any such restrictions.

Subject to the restrictions and conditions set out in this Base Prospectus, the categories of potential investors to which the Securities are intended to be offered are retail and institutional investors in Luxembourg, France, or The Netherlands .

Details of selling restrictions for various jurisdictions are set out in the section headed "Purchase and Sale".

### **United States Selling Restrictions**

The Securities have not been and will not be registered under the US 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 Securities are being offered and sold outside the United States to non-US persons in reliance on Regulation S ("**Regulation S**") under the Securities Act.

The Securities may be in the form of Bearer Securities that are not Cleared Securities and therefore subject to US tax law requirements. Subject to certain exceptions, Securities may not be offered, sold or, in the case of Bearer Securities, delivered within the United States or to US persons (as defined in Regulation S under the Securities Act) or, in the case of a Bearer Security that is not a Cleared Security, to, or for the account or benefit of, US persons (as defined in the US Internal Revenue Code of 1986, as amended, and the regulations thereunder).

For a description of these and certain further restrictions on offers, sales and transfers of Securities and delivery of this Base Prospectus and any Final Terms, see "*Purchase and Sale*" and "*Clearance, Settlement and Transfer Restrictions*" herein.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

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*This section sets out an overview of certain restrictions around who can purchase the Securities in certain jurisdictions.*

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*This section provides a general description of the programme, as well as certain additional information relating to all Securities.*

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*An index of all defined terms used in this Base Prospectus.*

## SUMMARY

Summaries are made up of disclosure requirements known as "elements". These elements are numbered in sections A – E (A.1 – E.7).

This Summary contains all the elements required to be included in a summary for these types of securities and issuer. Because some elements are not required to be addressed, there may be gaps in the numbering sequence of the elements.

Even though an element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the element. In this case a short description of the element is included in the summary after the words "not applicable".

<b>Section A – Introduction and Warnings</b>		
<b>A.1</b>	<b>Introduction and Warnings</b>	<p>This Summary should be read as an introduction to this Base Prospectus. Any decision to invest in Securities should be based on consideration of this Base Prospectus as a whole, including any information incorporated by reference, and read together with the Final Terms.</p> <p>Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff might, under the national legislation of the relevant Member State of the European Economic Area, have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.</p> <p>No civil liability shall attach to any responsible person solely on the basis of this Summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Securities.</p>
<b>A.2</b>	<b>Consent by the Issuer to the use of prospectus in subsequent resale or final placement of Securities</b>	<p>The Issuer may provide its consent to the use of this Base Prospectus and Final Terms for subsequent resale or final placement of Securities by financial intermediaries, provided that the subsequent resale or final placement of Securities by such financial intermediaries is made during the offer period specified below. Such consent may be subject to conditions which are relevant for the use of this Base Prospectus.</p> <p>The Issuer consents to the use of this Base Prospectus and these Final Terms with respect to the subsequent resale or final placement of Securities (a "<b>Public Offer</b>") which satisfies all of the following conditions:</p> <p>(a) the Public Offer is only made in [France,] [Luxembourg] [and/or] [The Netherlands];</p> <p>(b) the Public Offer is only made during the period from and including [ ], to, but excluding, [ ] [the date that falls 12 months from the date of the Base Prospectus] (the "<b>Offer Period</b>"); and</p> <p>(c) the Public Offer is only made by [each financial intermediary whose name is published on the Issuer's website (<a href="http://www.bmarkets.com">http://www.bmarkets.com</a>) and identified as an authorised offeror for these Securities] [the following financial [intermediary] [intermediaries]: [ ]] [any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive</p>

		<p>2004/39/EC) ([each] an "<b>Authorised Offeror</b>")]; and]</p> <p>(d) [ ].</p> <p><b>Information on the terms and conditions of an offer by any Authorised Offeror is to be provided at the time of that offer by the Authorised Offeror.]</b></p> <p>[Not applicable; the Issuer does not consent to the use of this Base Prospectus for subsequent resales.]</p>
<b>Section B – Issuer</b>		
<b>B.1</b>	<b>Legal and commercial name of the Issuer</b>	The Securities are issued by Barclays Bank PLC (the " <b>Issuer</b> ").
<b>B.2</b>	<b>Domicile and legal form of the Issuer, legislation under which the Issuer operates and country of incorporation of the Issuer</b>	The Issuer is a public limited company registered in England and Wales. The Issuer was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and, on 4 October 1971, was registered as a company limited by shares under the Companies Act 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Issuer was re-registered as a public limited company. The Issuer is authorised under the Financial Services and Markets Act 2000 (FSMA) to operate a range of regulated activities within the UK and is subject to consolidated prudential supervision by the United Kingdom Prudential Regulation Authority (PRA).
<b>B.4b</b>	<b>Known trends affecting the Issuer and industries in which the Issuer operates</b>	<p>The business and earnings of the Issuer and its subsidiary undertakings (together, the "<b>Group</b>") can be affected by the fiscal or other policies and other actions of various governmental and regulatory authorities in the UK, EU, US and elsewhere, which are all subject to change. The regulatory response to the financial crisis has led and will continue to lead to very substantial regulatory changes in the UK, EU and US and in other countries in which the Group operates. It has also (amongst other things) led to (i) a more assertive approach being demonstrated by the authorities in many jurisdictions; and (ii) enhanced capital and liquidity requirements (for example pursuant to the fourth Capital Requirements Directive (CRD IV)). Any future regulatory changes may restrict the Group's operations, mandate certain lending activity and impose other, significant compliance costs.</p> <p>Known trends affecting the Issuer and the industry in which the Issuer operates include:</p> <ul style="list-style-type: none"> <li>• continuing political and regulatory scrutiny of the banking industry which is leading to increased or changing regulation that is likely to have a significant effect on the industry;</li> <li>• general changes in regulatory requirements, for example, prudential rules relating to the capital adequacy framework and rules designed to promote financial stability and increase depositor protection;</li> <li>• the US Dodd-Frank Wall Street Reform and Consumer Protection Act, which contains far reaching regulatory reform (including restrictions on proprietary trading and fund-related activities (the so-called "<b>Volcker rule</b>"));</li> <li>• recommendations by the Independent Commission on Banking that: (i) the UK and EEA retail banking activities of a UK bank or building society should be placed in a legally distinct, operationally separate and economically</li> </ul>

		<p>independent entity (so-called "ring-fencing"); and (ii) the loss-absorbing capacity of ring-fenced banks and UK-headquartered global systemically important banks (such as the Issuer) should be increased to levels higher than the Basel 3 proposals;</p> <ul style="list-style-type: none"> <li>• investigations by the Office of Fair Trading into Visa and MasterCard credit and debit interchange rates, which may have an impact on the consumer credit industry;</li> <li>• investigations by regulatory bodies in the UK, EU and US into submissions made by the Issuer and other panel members to the bodies that set various interbank offered rates such as the London Interbank Offered Rate ("<b>LIBOR</b>") and the Euro Interbank Offered Rate ("<b>EURIBOR</b>"); and</li> <li>• changes in competition and pricing environments.</li> </ul>
<b>B.5</b>	<b>Description of group and Issuer's position within the group</b>	<p>The Group is a major global financial services provider.</p> <p>The whole of the issued ordinary share capital of the Issuer is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group.</p>
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable; the Issuer has chosen not to include a profit forecast or estimate.
<b>B.10</b>	<b>Nature of any qualifications in audit report on historical financial information</b>	Not applicable; the audit report on the historical financial information contains no such qualifications.
<b>B.12</b>	<b>Selected key financial information; No material adverse change and no significant change statements</b>	<p>Based on the Group's audited financial information for the year ended 31 December 2012, the Group had total assets of £1,490,747 million (2011: £1,563,402 million), total net loans and advances of £466,627 million (2011: £478,726 million), total deposits of £462,806 million (2011: £457,161 million), and total shareholders' equity of £62,894 million (2011: £65,170 million) (including non-controlling interests of £2,856 million (2011: £3,092 million)). The profit before tax from continuing operations of the Group for the year ended 31 December 2012 was £99 million (2011: £5,974 million) after credit impairment charges and other provisions of £3,596 million (2011: £3.802 million). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Issuer for the year ended 31 December 2012.</p> <p>There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2012.</p> <p>There has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2012.</p>
<b>B.13</b>	<b>Recent events particular to the Issuer which are materially relevant to the evaluation of Issuer's solvency</b>	<p>On 12 February 2013, the Issuer announced the outcome of a strategic review. As a result of certain commitments made in the review, the Group incurred a restructuring charge of approximately £154 million in the first quarter of 2013 and expects to incur costs associated with implementing the restructuring plan of £1 billion in 2013, £1 billion in 2014 and £0.7 billion in 2015.</p> <p>On 6 December 2012, the Issuer announced that it had agreed to combine the majority of its Africa operations (the "<b>Portfolio</b>") with Absa Group Limited ("<b>Absa</b>"). The proposed combination is to be effected by way of an acquisition by Absa of the Portfolio for a</p>

		<p>consideration of 129,540,636 Absa ordinary shares (representing a value of approximately £1.3 billion). As a result of the transaction, the Issuer's stake in Absa will increase from 55.5 per cent to 62.3 per cent.</p> <p>On 9 October 2012, the Issuer announced that it had agreed to acquire the deposits, mortgages and business assets of ING Direct UK. Under the terms of the transaction, which completed on 5 March 2013, the Issuer acquired amongst other business assets a deposit book with balances of approximately £11.4 billion and a mortgage book with outstanding balances of approximately £5.3 billion.</p> <p>On 22 May 2012, the Issuer announced that it had agreed to dispose of the Issuer's entire holding in BlackRock, Inc. ("<b>BlackRock</b>") pursuant to an underwritten public offer and a partial buy-back by BlackRock. On disposal, the Issuer received net proceeds of approximately US\$ 5.5 billion (£3.5 billion).</p>
<b>B.14</b>	<b>Dependency of Issuer on other entities within the group</b>	<p>See B5.</p> <p>The whole of the issued ordinary share capital of the Issuer is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group.</p> <p>The financial position of the Issuer is dependent on the financial position of its subsidiary undertakings.</p>
<b>B.15</b>	<b>Description of Issuer's principal activities</b>	The Group is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services with an extensive international presence in Europe, United States, Africa and Asia.
<b>B.16</b>	<b>Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control</b>	The whole of the issued ordinary share capital of the Issuer is beneficially owned by Barclays PLC, which is the ultimate holding company of the Issuer and its subsidiary undertakings.
<b>Section C- Securities</b>		
<b>C.1</b>	<b>Type and class of Securities being offered and/or admitted to trading</b>	<p>Securities (the "<b>Securities</b>") are derivative securities and are issued as a series of Certificates.</p> <p>The Securities are transferable obligations of the Issuer that are issued in accordance with the terms and conditions set out in the Base Prospectus, as completed by the Final Terms.</p> <p><b>Identification:</b> Series number: [ ]; Tranche number: [ ]</p> <p><b>Identification Codes:</b> ISIN Code: [ ]; Common Code: [ ]; Trading Symbol: [ ].</p>
<b>C.2</b>	<b>Currency</b>	<p>Subject to compliance with all applicable laws, regulation and directives, Securities may be issued in any currency.</p> <p>[This issue of Securities will be denominated in [pounds sterling ("<b>GBP</b>") [Euro ("<b>EUR</b>") [United States dollars ("<b>USD</b>") [ ].]</p>
<b>C.5</b>	<b>Description of restrictions on free transferability of</b>	With respect to the United States, Securities that are offered and sold outside the United States to non-US persons in reliance on "Regulation S" must comply with transfer restrictions. These

	<p><b>the Securities</b></p>	<p>transfer restrictions mean that the Securities may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the US Securities Act of 1933, as amended.</p> <p>Securities held in a clearing system will be transferred in accordance with the rules, procedures and regulations of that clearing system.</p> <p>Subject to the above, the Securities will be freely transferable.</p>
<p><b>C.8</b></p>	<p><b>Description of rights attached to the Securities including the ranking of the Securities and limitations to those rights</b></p>	<p><b>Rights</b></p> <p>The Securities give the right to each holder of Securities to receive a potential return on the Securities, together with certain ancillary rights such as the right to receive notice of certain determinations and events and to vote on future amendments.</p> <p><b>Investor Put Option:</b> The Securities have no set maturity date but are redeemable on a specified date every twelve months at the option of the investor, subject to satisfaction of certain procedures and requirements including giving an irrevocable notice to the Issuer, on any Business Day falling in [ ] (up to and including the fifth business day prior to the final business day of such month) of each year, commencing on [ ].</p> <p><b>Events of Default:</b> If the Issuer fails to make any payment due under the Securities (and such failure is not remedied within 30 days), the Securities will become immediately due and payable, upon notice being given by the holder.</p> <p><b>Status</b></p> <p>Securities are direct, unsubordinated and unsecured obligations of the Issuer and rank equally among themselves.</p> <p><b>Limitations on rights</b></p> <p>The terms and conditions of the Securities permit the Issuer and the Determination Agent (as the case may be), on the occurrence of certain events and in certain circumstances, without the consent of the holders, to (in each case, to the extent where applicable) (i) make adjustments to the terms and conditions (including following the occurrence of an index adjustment event, a potential adjustment event or an additional disruption event), (ii) redeem the Securities (including following the exercise of the Issuer's call option or the occurrence of an additional disruption event or an FX disruption event), (iii) postpone valuation of the underlying asset(s) or scheduled payments under the Securities (including for non-business days or non-scheduled trading days or disrupted days or following the occurrence of an additional disruption event or FX disruption event (if applicable), (iv) redenominate the currency of the Securities, (v) substitute the Issuer with another permitted entity subject to certain conditions, and (vi) take certain other actions with regard to the Securities and the underlying asset(s).</p> <p><b>Issuer Call Option:</b> The Issuer may elect to redeem all of the Securities on any business day from and including the Issuer Date by giving notice to investors.</p> <p><b>Additional Disruption Events:</b> If there is: (i) a change in applicable law, a currency disruption, an extraordinary market disruption or a tax event affecting the Issuer's ability to fulfil its obligations under the Securities; or (ii) a disruptive event relating to the existence,</p>

		<p>continuity, trading, valuation, pricing or publication of the Underlying Asset; or, if specified as applicable for the Securities; (iii) a disruption or other material impact on the Issuer's ability to hedge its obligations under the Securities, the terms and conditions of the Securities may be adjusted and/or the Securities may be redeemed early, without the consent of investors.</p> <p>Upon such early redemption, the amount paid (if any) will be equal to [[ ] (the issue price of the Securities)] [the market value of the Securities] [(which, in respect of certain hedging disruptions may include deductions for hedging termination and funding breakage costs)].</p> <p><b>Unlawfulness:</b> If the Issuer determines that the performance of any of its obligations under the Securities has become unlawful the Securities may be redeemed early at the option of the Issuer.</p> <p><b>Taxation:</b> All payments in respect of the Securities shall be made without withholding or deduction for or on account of any taxes imposed by the Issuer's country of incorporation (or any authority or political subdivision thereof or therein) unless such withholding or deduction is required by law.</p> <p>If any such withholding or deduction is imposed and required by law:</p> <ul style="list-style-type: none"> <li>• the Issuer will, save in limited circumstances, be required to pay additional amounts to cover the amounts so withheld or deducted; and</li> <li>• an Issuer Tax Event will occur, which is an Additional Disruption Event.</li> </ul> <p>In no event will additional amounts be payable in respect of US withholding taxes pursuant to the Foreign Account Tax Compliance Act (FATCA).</p> <p><b>Meetings:</b> The Securities contain provisions for investors to call and attend meetings to vote upon proposed amendments to the terms of the Securities or to pass a written resolution in the absence of such a meeting. These provisions permit defined majorities to approve certain amendments that will bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>
C.11	<b>Admission to trading</b>	<p>Securities may be listed and admitted to trading on a regulated market in France, Luxembourg or The Netherlands.</p> <p>[Application [has been/is expected to be] made by the Issuer to list the Securities on the official list and admit the Securities to trading on the regulated market of the [Luxembourg Stock Exchange] [NYSE Euronext Paris] [NYSE Euronext Amsterdam] with effect from [ ].]</p> <p>[Not applicable; the Securities are not intended to be listed or admitted to trading.]</p>
C.15	<b>Description of how the value of the investment is affected by the value of the underlying</b>	<p>[All Securities:]</p> <p>The Securities are [Open-ended Mini [Long] [Short] Securities] [Open-ended Turbo [Long] [Short] Securities]] [Open-ended Tracker Securities] are issued in [GBP] [EUR] [USD] [ ] and expose investors to the performance of [ ], (the "<b>Underlying</b></p>

	<p><b>Asset</b>") (Bloomberg Code: [ ]) (ISIN: [ ]).</p> <p>The Securities have no set maturity date but are redeemable annually at the option of the investor (a "put option") and daily at the option of the Issuer (a "call option"). <i>[Insert for Mini and Turbo Securities: An investor will also have the right to exercise a put option if it receives notice from the Issuer that the Issuer intends to change certain economic terms on a fixed date in the future.]</i> The effect of exercising the call and put options is described in more detail below.]</p> <p><i>[Minis and Turbos:]</i></p> <p>[An [Open-ended Mini [Long] [Short] Security] [Open-ended Turbo [Long] [Short] Security] is a financial instrument which enables investors to achieve [long] [short] exposure to the Underlying Asset without paying the full purchase price required to invest in the Underlying Asset. ["Long exposure" means that the product aims to provide a positive return if the level of the Underlying Asset rises over the investment period and, conversely, a negative return if the level of the Underlying Asset falls over the investment period.] ["Short exposure" means that the product aims to provide a positive return if the level of the Underlying Asset falls over the investment period and, conversely, a negative return if the level of the Underlying Asset rises over the investment period.] The actual performance of a product will also be impacted by the deduction of certain costs and fees which are identified below. The purchase price of the [Open-ended Mini [Long] [Short] Security] [Open-ended Turbo [Long] [Short] Security] is further increased or decreased by the application of a fixed value equal to [ ] (being the "Security Ratio"). The application of the Security Ratio enables the Issuer to create securities in what it believes to be appropriately sized trading amounts, giving investors exposure to either a multiple, or a fraction, of the standard tradable amount of the Underlying Asset.</p> <p>Where investors pay less than the full price of the Underlying Asset for a [Open-ended Mini [Long] [Short] Security] [Open-ended Turbo [Long] [Short] Security], the [Open-ended Mini [Long] [Short] Security] [Open-ended Turbo [Long] [Short] Security] is a leveraged product. The effect of leverage is to magnify the exposure which could, in certain cases be a negative exposure provided by the Security to the performance of the Underlying Asset and, consequently, any future profit or loss.</p> <p><i>[For Long Securities insert:</i> The remainder of the purchase price required to effect an investment in the Underlying Asset, in excess of the purchase price of the Security paid by the Investor, is financed by the Issuer and is called the Current Financing Level. There is a 'cost' associated with providing this financing and with managing the Securities which is reflected in the price of the [Open-ended Mini Long Security] [Open-ended Turbo Long Security] through the Current Financing Level. The Current Financing Level is adjusted on a daily basis to account for the daily 'cost' to the Issuer of providing the funding and managing the Securities. This adjustment to the Current Financing Level will therefore have the effect of reducing the value of the [Open-ended Mini Long Security] [Open-ended Turbo Long Security] over time.]</p> <p><i>[For Short Securities insert:</i> The Issuer will take the purchase price of the Security, along with the net proceeds from selling the Underlying Asset and apply the benefit, if any, or cost in respect of holding the resulting cash balance (after allowing for costs involved</p>
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in borrowing the Underlying Asset and in respect of managing the Securities) to the price of the [Open-ended Mini Short Security] [Open-ended Turbo Short Security] on a daily basis.]

*[For Currency Translated Securities insert:* As the [Open-ended Mini [Long] [Short] Securities] [Open-ended Turbo [Long] [Short] Securities] are issued [in [ ] [GBP] [EUR] [USD]] and settle in [GBP] [EUR] [USD] [ ] while the currency of the Underlying Asset is [GBP] [EUR] [USD] [ ], in addition to being exposed to the performance of the Underlying Asset, investors are exposed to the [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate. This means that the prevailing [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] will have an effect on any cash amounts payable to investors. This effect could be either a positive or negative effect, depending on how the [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate has performed over the investment period.]

*[For Quanto Securities insert:* While the [Open-ended Mini [Long] [Short] Securities] [Open-ended Turbo [Long] [Short] Securities] are issued and settle in [GBP] [EUR] [USD] and the currency of the Underlying Asset is [GBP] [EUR] [USD], investors are not exposed to the [GBP] [EUR] [USD] : [GBP] [EUR] [USD] [ ] exchange rate. This is because the terms of the Securities include a currency hedge under which the price or level of the Underlying Asset in [GBP] [EUR] [USD] will be converted into [GBP] [EUR] [USD] at a fixed exchange rate of 1 [GBP] [EUR] [USD] [ ] per [GBP] [EUR] [USD] [ ]. A charge in respect of such currency hedge will accrue daily and be taken into account in the calculation of the Current Financing Level. This charge may have the effect of either reducing or increasing the value of the Securities over time.]

*[If Dividends are applicable insert:* If *[If share insert:* the Underlying Asset] *[If Index insert:* any share that is a component of the Underlying Asset] pays a dividend, this will have a negative effect on the value of the Underlying Asset because the payment of a dividend reduces the assets of the issuer of the *[If Index insert:* share that is a component of the] Underlying Asset. In order to mitigate the corresponding effect that this could have on the value of the [Open-ended Mini [Long] [Short] Securities] [Open-ended Turbo [Long] [Short] Securities], on the ex-dividend date the Current Financing Level will be adjusted by an amount based on the equivalent value of the dividend to the Issuer, in order to compensate for this effect.]

#### REDEMPTION:

While [Open-ended Mini [Long] [Short] Securities] [Open-ended Turbo [Long] [Short] Securities] have no fixed maturity, they will redeem automatically if the market value of the Underlying Asset at any time on any day after [ ] *[For Minis insert:* (being the "Stop-Loss Observation Start Date")] *[For Turbos insert:* (being the "Knock-out Observation Start Date")] (being, [ ]) *[For Long Securities insert:* falls to or below] *[For Short Securities insert:* rises to or above] a specified level known as the *[For Minis insert:* Current Stop Loss Level] *[For Turbos insert:* Current Knock-out Barrier]. *[For Turbos insert:* In such event, the amount payable on redemption of each Security will be [GBP] [EUR] [USD] [ ].] *[For Minis insert:* In such event, the amount payable on redemption of each Security will be based on the excess, if any, between: (a) the price that would be achieved by the Issuer if it were to trade out of any positions it held in the Underlying Asset in respect of its obligations under the Securities; and (b) the Current Financing Level, *[For Currency Translated and Quanto Securities insert:*

divided by the *[For Currency Translated Securities insert: prevailing]* [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate *[For Quanto Securities insert: of 1* [GBP] [EUR] [USD] [ ] per [GBP] [EUR] [USD] [ ]], multiplied by the Security Ratio and floored at zero.] If the Securities provide leveraged exposure to the performance of the Underlying Asset, such leverage increases the risk of the Securities redeeming automatically and the investors losing their investment in the Securities.

If the Issuer chooses to exercise its 'call option' or an investor chooses to exercise its 'put option' with respect to the Securities, this will result in a redemption of, in the case of the call option, all of the Securities or, in the case of the put option, the number of Securities that the investor chooses to redeem. The amount payable on redemption of the Securities will be equal to *[For Long Securities insert: the value of the Underlying Asset less the Current Financing Level on the relevant valuation date]* *[For Short Securities insert: the Current Financing Level on the relevant valuation date less the value of the Underlying Asset]* *[For Currency Translated and Quanto Securities insert: divided by the* *[For Currency Translated Securities insert: prevailing]* [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate *[For Quanto Securities insert: of 1* [GBP] [EUR] [USD] [ ] per [GBP] [EUR] [USD] [ ]] and multiplied by the Security Ratio.]

*[Trackers:]*

*[For Local Securities insert: The amount payable on redemption of the Securities will be equal to the value of the Underlying Asset [where "Management Fee Drain" applies insert: (as reduced by the accrued management fee)], multiplied by [ ] (being the "Security Ratio").*

*[For Currency Translated Securities insert: As the Securities are issued [in [GBP] [EUR] [USD]] and settle in [GBP] [EUR] [USD] [ ] while the currency of the Underlying Asset is [GBP] [EUR] [USD], in addition to being exposed to the performance of the Underlying Asset investors are exposed to the [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate. This means that the prevailing [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate will have an effect on any cash amounts payable to investors. This effect could be either a positive or negative effect, depending on how the [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate has performed over the investment period. The amount payable on redemption of the Securities will be equal to the value of the Underlying Asset [where "Management Fee Drain" applies insert: (as reduced by the accrued management fee)], multiplied by [ ] (being the "Security Ratio") and divided by the prevailing [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate.*

*[For Quanto Securities insert: While the Securities are issued and settle in [GBP] [EUR] [USD] [ ] and the currency of the Underlying Asset is [GBP] [EUR] [USD] [ ], investors are not exposed to the [GBP] [EUR] [USD] [ ] : [GBP] [EUR] [USD] [ ] exchange rate. This is because the terms of the Securities include a currency hedge under which the price or level of the Underlying Asset in [GBP] [EUR] [USD] [ ] will be converted into [GBP] [EUR] [USD] [ ] at a fixed exchange rate of 1 [GBP] [EUR] [USD] [ ] per [GBP] [EUR] [USD] [ ]. A charge in respect of such currency hedge will accrue daily and will be deducted from, or added to, the amount payable in respect of the redemption of a Security. The amount payable on redemption of the Securities will*

		<p>be equal to the value of the Underlying Asset (as adjusted by the accrued currency hedging cost and the accrued management fee), multiplied by [ ] (being the "Security Ratio") and divided by the fixed exchange rate of 1 [GBP] [EUR] [USD] [ ] per [GBP] [EUR] [USD] [ ].</p> <p><i>[For Local, Currency Translated and Quanto Securities insert: The Security Ratio is a fixed value set on the issue of the Securities. The application of the Security Ratio enables the Issuer to create securities in what it believes to be appropriately sized trading amounts, giving investors exposure to either a multiple, or a fraction, of the standard tradable amount of the Underlying Asset.]</i></p> <p><i>[For all Securities (except for Local or Currency Translated Tracker Securities with no Management Fee Drain) insert:</i></p> <p><b>THE APPLICABLE [FINANCING COSTS] [[,] [AND] CURRENCY HEDGING COSTS] [AND MANAGEMENT FEE] ACCRUE[S] ON A DAILY BASIS THROUGHOUT THE LIFE OF THE SECURITIES. THEREFORE, THE LONGER AN INVESTOR HOLDS SECURITIES, THE GREATER THE AMOUNT THAT WILL BE DEDUCTED FROM, OR APPLIED TO, THE AMOUNT PAYABLE IN RESPECT OF THE SECURITIES.]</b></p>
<b>C.16</b>	<b>Expiration or maturity date of the Securities</b>	<p>The Securities do not have a specified final redemption date.</p> <p>The Securities are redeemable annually at the option of the investor and daily at the option of the Issuer.</p> <p><i>For Mini or Turbo Securities insert: In addition, the Securities may be redeemed at the option of the investor if the Issuer makes certain adjustments to [For Mini Securities insert: (i)] the economic terms of the Securities relevant for the purpose of determining the applicable financing cost [For Mini Securities insert: , or (ii)] the value of the Underlying Asset which will trigger the automatic redemption of the Securities].]</i></p>
<b>C.17</b>	<b>Settlement Procedure</b>	<p>Securities will be delivered on the specified issue date either against payment of the issue price or free of payment of the issue price of the Securities. The Securities may be cleared and settled through Euroclear Bank S.A./N.V., Clearstream Banking société anonyme, Euroclear Netherlands, or Euroclear France, S.A.</p> <p>This issue of Securities will be delivered on [ ] (the "<b>Issue Date</b>") [against payment] [free of payment] of the issue price of the Securities.</p> <p>[This issue of Securities will be cleared and settled through [Euroclear Bank S.A./N.V.] [Clearstream Banking société anonyme] [Euroclear Netherlands] [Euroclear France S.A.] [ ].]</p>
<b>C.18</b>	<b>Description of how the return on derivative securities takes place</b>	<p>The return on, and value of, the Securities will be linked to the performance of the Underlying Asset.</p> <p>The performance of the Underlying Asset will affect: (i) whether the Securities are automatically redeemed early; and (ii) if the Securities are not cancelled early, the amount paid on redemption.</p> <p>Any amount payable if the Securities will be paid in cash in [GBP] [EUR] [USD] [ ].</p>

C.19	<b>Final reference price of underlying</b>	The final reference price of any equity index, share, depositary receipt or fund to which Securities are linked will be determined by the determination agent by reference to a publicly available source on the relevant valuation date. [The amount payable in respect of the Securities will be determined by the Determination Agent by looking at the [level] [price] of the [equity index] [share] [depositary receipt] [fund] to which such Securities are linked at [the scheduled closing time on the relevant exchange] [ ] as published on the relevant Valuation Date].
C.20	<b>Type of underlying</b>	<p>Securities may be linked to:</p> <ul style="list-style-type: none"> <li>• a common share;</li> <li>• a depositary receipt representing common shares;</li> <li>• an exchange traded fund ("ETFs") (being a fund, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement and holding assets, such as shares, bonds, indices, commodities, and/or other securities such as financial derivative instruments); or</li> <li>• an equity index.</li> </ul> <p>In addition, where the currency of the Securities is different from the currency of the underlying, the return on the Securities will be linked to the prevailing rate of exchange between such currencies, unless the terms of the Securities provide that a fixed rate of exchange is to be used.</p> <p>The Underlying Asset for this issuance of Securities is: [<i>name of share, depositary receipt, fund or index</i>].</p> <p>Information about the Underlying Asset is available at: [ ] (Bloomberg Code: [ ]) (ISIN: [ ]).</p>
<b>Section D – Risks</b>		
D.2	<b>Key information on the key risks that are specific to the Issuer</b>	<p><b>Credit risk:</b> The Issuer is exposed to the risk of suffering loss if any of its customers, clients or market counterparties fails to fulfil its contractual obligations. The Issuer may also suffer a loss where the downgrading of an entity's credit rating causes a fall in the value of the Issuer's investment in that entity's financial instruments.</p> <p>Weak or deteriorating economic conditions negatively impact these counterparty and credit-related risks. In recent times, the economic environment in the Issuer's main business markets (being Europe and the United States) have been marked by generally weaker than expected growth, increased unemployment, depressed housing prices, reduced business confidence, rising inflation and contracting GDP. Operations in the Eurozone remain affected by the ongoing sovereign debt crisis, the stresses being exerted on the financial system and the risk that one or more countries may exit the Euro. The current absence of a predetermined mechanism for a member state to exit the Euro means that it is not possible to predict the outcome of such an event and to accurately quantify the impact of such event on the Issuer's profitability, liquidity and capital. If some or all of these conditions persist or worsen, they may have a material adverse effect on the Issuer's operations, financial condition and prospects.</p> <p><b>Market risk:</b> The Issuer may suffer financial loss if the Issuer is</p>

		<p>unable to adequately hedge its balance sheet. This could occur as a result of low market liquidity levels, or if there are unexpected or volatile changes in interest rates, credit spreads, commodity prices, equity prices and/or foreign exchange rates.</p> <p><b>Liquidity risk:</b> The Issuer is exposed to the risk that it may be unable to meet its obligations as they fall due as a result of a sudden, and potentially protracted, increase in net cash outflows. These outflows could be principally through customer withdrawals, wholesale counterparties removing financing, collateral posting requirements or loan draw-downs.</p> <p><b>Capital risk:</b> The Issuer may be unable to maintain appropriate capital ratios, which could lead to: (i) an inability to support business activity; (ii) a failure to meet regulatory requirements; and/or (iii) credit ratings downgrades. Increased regulatory capital requirements and changes to what constitutes capital may constrain the Issuer's planned activities and could increase costs and contribute to adverse impacts on the Issuer's earnings.</p> <p><b>Legal and regulatory-related risk:</b> Non-compliance by the Issuer with applicable laws, regulations and codes relevant to the financial services industry could lead to fines, public reprimands, damage to reputation, increased prudential requirements, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate.</p> <p><b>Reputation risk:</b> Reputational damage reduces – directly or indirectly – the attractiveness of the Issuer to stakeholders and may lead to negative publicity, loss of revenue, litigation, regulatory or legislative action, loss of existing or potential client business, reduced workforce morale, and difficulties in recruiting talent. Sustained reputational damage could have a materially negative impact on the Issuer's licence to operate and the value of the Issuer's franchise which in turn could negatively affect the Issuer's profitability and financial condition.</p> <p><b>Infrastructure resilience, technology and cyberspace risk:</b> The Issuer is exposed to risks from cyberspace to its systems. If customer or proprietary information held on, and/or transactions processed through these systems, is breached, there could be a materially negative impact on the Issuer's performance or reputation.</p> <p><b>Taxation risk:</b> The Issuer may suffer losses arising from additional tax charges, other financial costs or reputational damage due to: failure to comply with or correctly assess the application of, relevant tax law; failure to deal with tax authorities in a timely, transparent and effective manner; incorrect calculation of tax estimates for reported and forecast tax numbers; or provision of incorrect tax advice.</p>
D.6	<p><b>Key information on the key risks that are specific to the Securities; and risk warning that investors may lose value of entire investment</b></p>	<p><b>Investors in Securities may lose up to the entire value of their investment: Depending on the performance of the Underlying Asset, the redemption amount payable to investors (whether at maturity or following any early redemption, and including after deduction of any applicable taxes and expenses) may be less than the initial purchase price and could be as low as zero.</b></p> <p>The investor is exposed to the credit risk of the Issuer and will lose up to the entire value of their investment if the Issuer goes bankrupt or is otherwise unable to meet its payment obligations.</p> <p>Investors may also lose the value of their entire investment, or part</p>

	<p>of it, if:</p> <ul style="list-style-type: none"> <li>• the underlying asset(s) perform in such a manner that the settlement amount payable to investors (whether at exercise of following any early cancellation) is less than the initial purchase price;</li> <li>• investors sell their Securities in the secondary market at an amount that is less than the initial purchase price;</li> <li>• the Securities are cancelled early for reasons beyond the control of the Issuer (such as following a change in applicable law, a currency disruption, a tax event affecting the Issuer's ability to fulfil its obligations under the Securities or certain changes affecting the underlying asset(s) or the Issuer's ability to hedge its obligations under the Securities) and the amount paid to Investors is less than the initial purchase price; and/or</li> <li>• the terms and conditions of the Securities are adjusted (in accordance with the terms and conditions of the Securities) with the result that the amount payable to investors and/or the valuation of the Securities is reduced.</li> </ul> <p><b>Reinvestment risk / loss of yield:</b> Following an early redemption of the Securities for any reason, investors may be unable to reinvest the redemption proceeds at an effective yield as high as the yield on the Securities being redeemed.</p> <p><b>[DAILY FEES WILL REDUCE THE VALUE OF THE INVESTMENT OVER TIME:</b> THE SETTLEMENT AMOUNT AT WHICH THE SECURITIES MAY BE REDEEMED AT THE OPTION OF THE ISSUER OR THE INVESTOR IS REDUCED BY FEES THAT ACCRUE ON A DAILY BASIS THROUGHOUT THE TERM OF THE SECURITIES. ACCORDINGLY, ASSUMING ALL ELSE BEING EQUAL, THE AMOUNT THAT AN INVESTOR IS ENTITLED TO RECEIVE UPON REDEMPTION OF A SECURITY WILL DECREASE OVER TIME FOR SO LONG AS THAT INVESTOR HOLDS SUCH SECURITY.]</p> <p><b>Settlement expenses:</b> Payments and settlement under the Securities may be subject to deduction of taxes and settlement expenses.</p> <p><b>Conditions to settlement:</b> Settlement is subject to satisfaction of all conditions to settlement by the investor.</p> <p><b>Volatile market prices:</b> The market value of the Securities is unpredictable and may be highly volatile, as it can be affected by many unpredictable factors, including: market interest and yield rates; fluctuations in currency exchange rates; exchange controls; the time remaining until the Securities mature; economic, financial, regulatory, political, terrorist, military or other events in one or more jurisdictions; changes in laws or regulations; and the Issuer's creditworthiness or perceived creditworthiness.</p> <p><b>Return linked to performance of Underlying Asset:</b> The return payable on the Securities are linked to the change in value of the Underlying Asset over the life of the Securities. Any information about the past performance of the Underlying Asset should not be taken as an indication of how prices will change in the future. Investors will not have any rights of ownership, including, without limitation, any voting rights or rights to receive dividends, in respect</p>
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	<p>of the Underlying Asset.</p> <p><b>[Automatic redemption:</b> The Securities will be redeemed automatically if the level, price, value or performance of the Underlying Asset breaches a specified threshold. In the event that such a specified early redemption event occurs, investors will [not] be paid a redemption amount [<i>in the case of mini securities, insert:</i> derived from the price of the Underlying Asset and the outstanding financed amount. Such amount may be zero and accordingly investors may lose all of their investment in the Securities in such event. ] [<i>in the case of turbo securities, insert:</i> [equal to [GBP] [EUR] [USD] [ ] per Security], and accordingly investors will lose [substantially] all of their investment in the Securities in such event].</p> <p>Following the occurrence of a specified early redemption event, investors will no longer be able to realise their expectations for a gain in value of the Securities and will no longer participate in the performance of the Underlying Asset.]</p> <p><b>[Leverage:</b> The Securities provide a leveraged exposure to the performance of the Underlying Asset. Leverage increases volatility and amplifies losses and gains. The Securities provide a return that is a multiple of the performance of the relevant Underlying Asset and magnify losses in adverse market conditions compared to an unleveraged or direct investment in the [<i>where the Underlying is an Index, insert:</i> the stocks comprising the] Underlying Asset. Leverage makes it more likely that the Securities will fall for automatic redemption in accordance with their terms.</p> <p>Following the occurrence of a specified early redemption event, investors will no longer be able to realise their expectations for a gain in value of the Securities and will no longer participate in the performance of the Underlying Asset.]</p> <p><b>[Shares:</b> The performance of shares is dependent upon economic factors, such as interest and price levels in capital markets, currency developments, political factors as well as company specific factors such as earnings, market position, risk situation, shareholder structure and distribution policy. The relevant share issuer may take actions without regard to the interests of any investors in the Securities, which could have a negative effect on the value of the Securities.]</p> <p><b>[American Depositary Receipts ("ADRs") or Global Depositary Receipts ("GDRs"):</b> Investors who purchase Securities linked to ADRs or GDRs may receive a lower payment than they would have received if they had invested in the underlying shares directly (for example, because the holder of the relevant ADR or GDR may not receive any dividends paid on the underlying shares.</p> <p>The legal owner of the shares underlying the ADRs or GDRs is a custodian bank and, in the event the custodian bank becomes insolvent it is possible that the purchaser of an ADR or GDR may lose its rights to the underlying shares under the ADR or GDR. This could have an adverse effect on the value of the Securities.]</p> <p><b>[Exchange Traded Funds ("ETFs"):</b> Investors who purchase Securities that are linked to an ETF may receive a lower payment upon cancellation or exercise of their Securities than they would have received if they had invested directly in the share or index which is "tracked" or invested in by the ETF.</p> <p>The management company, trustee or sponsor of an ETF will have</p>
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		no involvement in the offer and sale of the Securities and could take actions which have a negative effect on the value of the Securities.]
<b>Section E – Offer</b>		
<b>E.2b</b>	<b>Reasons for offer and use of proceeds when different from making profit and/or hedging certain risks</b>	<p>The net proceeds from each issue of Securities will be applied by the Issuer for its general corporate purposes, which include making a profit and/or hedging certain risks. If the Issuer elects at the time of issuance of Securities to make different or more specific use of proceeds, the Issuer will describe that use in the Final Terms.</p> <p>[Not Applicable; the net proceeds will be applied by the Issuer for making profit and/or hedging certain risks.]</p> <p><b>[Reasons for the offer and use of Proceeds: [ ]]</b></p>
<b>E.3</b>	<b>Description of the terms and conditions of the offer</b>	<p>The terms and conditions of any offer of Securities to the public may be determined by agreement between the Issuer and the dealer at the time of each issue.</p> <p>[The Securities are offered subject to the following conditions:</p> <p><b>Offer Price:</b> [The Issue Price] [[ ]% of the Issue Price] [ ]</p> <p><b>Conditions to which the offer is subject:</b> [ ]</p> <p><b>Description of the application process:</b> [ ]</p> <p><b>Details of the minimum and/or maximum amount of application:</b> [ ]</p> <p><b>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:</b> [ ]</p> <p><b>Details of the method and time limits for paying up and delivering the Securities:</b> [The period from [ ] until [ ]] [the Issue Date] [the date which falls [ ] business days thereafter] [ ]</p> <p><b>Manner in and date on which results of the offer are to be made public:</b> [ ]</p> <p><b>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:</b> [ ]</p> <p><b>Categories of investors to which the Securities are offered and whether Tranche(s) have been reserved for certain countries:</b> [ ]</p> <p><b>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:</b> [ ]</p> <p><b>Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:</b> [None] [ ]]</p>
<b>E.4</b>	<b>Description of any interest material to the issue/offer, including conflicting interests</b>	<p>The relevant dealers or manager may be paid fees in relation to any issue or offer of Securities. Potential conflicts of interest may exist between the Issuer, determination agent, relevant dealers and/or Manager or their affiliates (who may have interests in transactions in derivatives related to the underlying asset(s) which may, but are not intended to, adversely affect the market price, liquidity or value of the Securities) and investors.</p>



		[The [dealers/Managers] will be paid aggregate commissions equal to [ ].] [Any [dealer/Manager] and its affiliates may be engaged, and may in the future engage, in hedging transactions with respect to the Underlying Asset.] [Not Applicable; no person involved in the issue or offer has any interest, or conflicting interest, that is material to the issue or offer of Securities.]
<b>E.7</b>	<b>Estimated expenses charged to investor by issuer/offeror</b>	<p>The Issuer will not charge any expenses to investors in connection with any issue of Securities. Offerors may, however, charge expenses to investors. Such expenses (if any) will be determined by agreement between the offeror and the investors at the time of each issue.</p> <p>In addition, certain fees are taken into account when determining the amounts payable on the Securities – see C.15.</p> <p>[Not Applicable; no expenses will be charged to the investor by the issuer or the offeror[s].] [The following estimated expenses will be charged to the investor by the offeror[s]:[ ] [fees within a range between [ ] and [ ].]</p>

## RISK FACTORS

*Investing in Securities involves substantial risks. The risks highlighted below represent the principal risks of investing in Securities. These risks could negatively affect the amount which investors will receive in respect of Securities, potentially resulting in the loss of some or all of their investment.*

*An investment in the Securities should only be made after assessing these principal risks, including any risks applicable to the relevant Underlying Asset. More than one risk factor may have a simultaneous effect with regard to the Securities such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Securities.*

*The risks below are not exhaustive and there may be additional risks and uncertainties that are not presently known to the Issuer or that the Issuer currently believes to be immaterial but that could have a material impact on the business operations or financial condition of the Issuer or the price of or return on the Securities.*

*All capitalised terms that are not defined in this section will have the meanings given to them elsewhere in this Base Prospectus.*

Contents of the risk factors:

1. Risks relating to the potential loss of investment
2. Risks associated with the valuation, liquidity and settlement of Securities
3. Risks associated with the features of the Securities
4. Risks associated with the Securities being linked to an Underlying Asset
5. Risks associated with specific Underlying Asset
6. Risks associated with the Issuer's ability to fulfil its obligations under the Securities
- 7, Risks associated with conflicts of interest

### 1. Risks relating to the potential loss of investment

INVESTORS MAY LOSE UP TO THE ENTIRE VALUE OF THEIR INVESTMENT IN THE SECURITIES AS A RESULT OF THE OCCURRENCE OF ANY ONE OR MORE OF THE FOLLOWING EVENTS:

- (A) THE TERMS AND CONDITIONS OF THE SECURITIES DO NOT PROVIDE FOR FULL REPAYMENT OF THE INITIAL PURCHASE PRICE UPON REDEMPTION OF THE SECURITIES AND THE RELEVANT UNDERLYING ASSET PERFORM IN SUCH A MANNER THAT THE SETTLEMENT AMOUNT OR ENTITLEMENT IS LESS THAN THE INITIAL PURCHASE PRICE;
- (B) INVESTORS SELL THEIR SECURITIES PRIOR TO THEIR SCHEDULED REDEMPTION DATE IN THE SECONDARY MARKET AT AN AMOUNT THAT IS LESS THAN THE INITIAL PURCHASE PRICE;
- (C) THE ISSUER IS SUBJECT TO INSOLVENCY OR BANKRUPTCY PROCEEDINGS OR SOME OTHER EVENT WHICH NEGATIVELY AFFECTS THE ISSUER'S ABILITY TO MEET ITS OBLIGATIONS UNDER THE SECURITIES;
- (D) THE SECURITIES ARE SUBJECT TO A DISRUPTION EVENT (E.G. A CHANGE OF LAW, A TAX EVENT, AN EXTRAORDINARY MARKET DISRUPTION OR DUE TO AN EVENT IN RELATION TO THE UNDERLYING ASSET(S)) OR THE PERFORMANCE OF THE ISSUER'S OBLIGATIONS BECOME UNLAWFUL AND THE SETTLEMENT AMOUNT PAYABLE IS LESS THAN THE INITIAL PURCHASE PRICE; AND

- (E) THE TERMS AND CONDITIONS OF THE SECURITIES ARE ADJUSTED (IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE SECURITIES) WITH THE RESULT THAT THE AMOUNT PAYABLE TO INVESTORS AND/OR THE VALUATION OF THE SECURITIES IS REDUCED.

FOLLOWING AN EARLY REDEMPTION OF THE SECURITIES FOR ANY REASON, INVESTORS MAY BE UNABLE TO REINVEST THE REDEMPTION PROCEEDS AT AN EFFECTIVE YIELD AS HIGH AS THE YIELD ON THE SECURITIES BEING REDEEMED.

THE OBLIGATIONS OF THE ISSUER UNDER THE SECURITIES ARE NOT SECURED AND THE SECURITIES ARE NOT PROTECTED BY THE FINANCIAL SERVICES COMPENSATION SCHEME OR ANY OTHER GOVERNMENT OR PRIVATE PROTECTION SCHEME.

## 2. Risks associated with the valuation, liquidity and settlement of Securities

### 2.1 Valuation of the Securities: commissions and/or fees

Investors should be aware that the issue price may include commissions and/or other fees paid by the Issuer to distributors as payment for distribution services where permitted by law. This can cause a difference between the theoretical value of the Securities and any bid and offer prices quoted by the Issuer, any affiliate or any third party, which may result in investors receiving less than expected on any disposal of securities.

Information with respect to the amount of these inducements, commissions and fees may be obtained from the Issuer or distributor upon request.

### 2.2 Possible illiquidity of the Securities in the secondary market

Investors should be aware that a secondary trading market for the Securities may not develop and that, even if a secondary market does develop, it is not possible to predict the prices at which the Securities will trade in such secondary market. Such prices may not accurately reflect the theoretical value of the Securities.

The Issuer is under no obligation to make a market in or to repurchase Securities. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The number of Securities of any series may be relatively small, further adversely affecting the liquidity of such Securities.

The Issuer may list Securities on a stock exchange but the fact that Securities are listed will not necessarily lead to greater liquidity. If Securities are not listed or traded on any exchange, pricing information for such Securities may be more difficult to obtain and the liquidity of such Securities may be adversely affected.

The number of Securities outstanding or held by persons other than the Issuer's affiliates could be reduced at any time due to early redemptions of the Securities. Accordingly, the liquidity of the market for the Securities could vary materially over the term of the Securities.

A lack of liquidity in the secondary market for the Securities may have a severely adverse effect on the market value of Securities and may result in investors: (i) being unable to sell their Securities on the secondary market, or (ii) receiving less than the initial price paid for the Securities.

### 2.3 Issue of further Securities

If additional securities or options with the same characteristics or linked to the same Underlying Asset are subsequently issued, either by the Issuer or another issuer, the supply of securities with such characteristics or linked to such Underlying Asset in the primary and secondary markets will increase and may cause the price at which the relevant Securities trade in the secondary market to decline.

### 2.4 Certain factors affecting the value and trading price of Securities

The value or quoted trading price of the Securities (including any price quoted by the Issuer) at any time will reflect changes in market conditions and other factors which cannot be predicted in advance, including:

- market interest and yield rates;

- fluctuations in currency exchange rates;
- economic, financial, regulatory, political, terrorist, military or other events in one or more jurisdictions, including events affecting capital markets generally or the stock exchanges on which any Securities may be traded;
- the Issuer's creditworthiness or perceived creditworthiness (whether measured by reference to credit ratings or otherwise); and
- the performance of the relevant Underlying Asset.

These changes may affect the market price of the Securities, including any market price received by an investor in any secondary market transaction and may be: (i) different from the value of the Securities as determined by reference to the Issuer's pricing models; and (ii) less than the issue price. As a result, if investors sell their Securities prior to the scheduled redemption date, they may receive back less than their initial investment or even zero.

Any price quoted by a third party dealer may differ significantly from any price quoted by the Issuer or any of its affiliates. Furthermore, investors who sell their Securities are likely to be charged a commission for such secondary market transaction.

## 2.5 Conditions to settlement

Payments of any settlement amounts due may be subject to certain conditions to settlement as specified in the terms and conditions of the Securities. If the Issuer, or in the case of French Cleared Securities, the Issue and Paying Agent determines that any condition to settlement to be satisfied by an investor has not been satisfied in full, payment of the amount payable to such investor will not become due until all such conditions to settlement have been satisfied in full, and no additional amounts will be payable by the Issuer because of any resulting delay or postponement. However, the conditions to settlement will not be capable of being satisfied if the conditions to settlement are not satisfied by the relevant time on the day that is 180 calendar days following the final settlement cut-off date. Therefore, if an investor fails to comply with the conditions, the obligations of the Issuer to that investor may be discharged without any payment.

## 2.6 Change in tax law

Investors should be aware that tax regulations and their application by the relevant taxation authorities are subject to change, possibly with retrospective effect, and that this could negatively affect the value of the Securities. Any such change may cause the tax treatment of the Securities to change from the tax position at the time of purchase and may render the statements in this Base Prospectus concerning the relevant tax law and practice to be inaccurate or insufficient to cover the material tax considerations in respect of the Securities. It is not possible to predict the precise tax treatment which will apply at any given time and changes in tax law may give the Issuer the right to amend the terms and conditions of the Securities, or cancel the Securities.

## 2.7 US Foreign Account Tax Compliance Withholding

A 30 per cent. withholding tax will be imposed on certain payments to certain non-US financial institutions that fail to comply with information reporting requirements or certification requirements in respect of their direct and indirect United States shareholders and/or United States accountholders. United States accountholders subject to such information reporting or certification requirements may include holders of the Securities.

If any amount were to be deducted or withheld from payments on the Securities as a result of FATCA, an investor's return on the Securities may be significantly less than expected.

See "*Taxation – United States Taxation*" for more information.

## 2.8 Withholding on Dividend Equivalent Payments

The US Treasury Department has issued proposed regulations under section 871(m) of the US Internal Revenue Code of 1986, as amended which address payments contingent on or determined by reference to dividends paid on US equities. Regulations under sections 871(m) could ultimately require the Issuer to treat

all or a portion of any payment in respect of the Securities as a "dividend equivalent" payment that is subject to withholding tax at a rate of 30 per cent. (or a lower rate under an applicable treaty).

If any amount were to be deducted or withheld from payments on the Securities as a result of the above, investors may receive significantly less than expected.

See "*Taxation – United States Taxation*" for more information.

## 2.9 Proposed Financial Transactions Tax

On 14 February 2013, the European Commission published its proposal for a council directive on a common system of financial transaction tax ("FTT") to be implemented by 11 Member States, including France, Germany, Spain, Italy and Portugal. If all participating Member States implement the council directive in their domestic law by 30 September 2013, it is proposed that the FTT will apply from 1 January 2014. As at the date of this Base Prospectus, the United Kingdom is not one of the 11 Member States that is proposing to introduce the FTT.

Under the current proposals, broadly, FTT will be levied on any financial institution (such as banks, investment service providers, credit institutions and pension funds) party to financial transactions which relate to shares, securities and derivatives (on its own account or for the account of another person) and either (i) such shares, securities or derivatives are issued by or (ii) such financial institution is or (iii) such financial institution is not but the other party to the financial transaction is, a person established or resident in a participating Member State. Financial transactions do not include primary market transactions (i.e. subscriptions and issuances of Securities under this Base Prospectus) but do include secondary market transactions (i.e. sales and transfers of Securities subscribed or issued under this Base Prospectus). The current proposals also give both counterparties to a financial transaction joint and several liability for FTT levied on any counterparty that is a financial institution.

Investors of Securities should be aware that some transactions in relation to the Securities subscribed or issued under this Base Prospectus may be subject to FTT from 1 January 2014 and the cost of FTT may be borne by holders of Securities.

## 2.10 UK 'Bail-in' provisions

On 6 June 2012 the European Commission published a legislative proposal for a directive providing for the establishment of a European-wide framework for the recovery and resolution of credit institutions and investment firms (the '**Recovery and Resolution Directive**' or "**RRD**") the stated aim of which is to provide supervisory authorities, including the relevant UK resolution authority, with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses. The powers proposed to be granted to supervisory authorities, such as the relevant UK resolution authority, under the draft RRD include (but are not limited to) the introduction of a statutory 'bail-in' power, which would give the relevant UK resolution authority the power to cancel all or a portion of the principal amount of, or interest due on, the Securities and/or convert all or a portion of the principal amount or interest due into shares or other securities of the Issuer or any third party. Accordingly, any exercise of any UK bail-in power by the relevant UK resolution authority may result in investors losing all or part of the value of their investment (or receiving shares or a different security from the Securities which may be worth significantly less than the Securities). The relevant UK resolution authority may exercise any of its UK bail-in powers without providing any notice to investors.

As the RRD is still in draft form there is considerable uncertainty regarding the specific factors beyond the goals of addressing banking crises pre-emptively and minimising taxpayers' exposure to losses (for example by writing down relevant capital instruments before the injection of public funds into a financial institution) which the relevant UK resolution authority would consider in deciding whether to exercise the UK bail-in power with respect to the relevant financial institution and/or securities such as the Securities, issued by that institution.

Moreover, as the financial criteria that the relevant UK resolution authority would consider in exercising any UK bail-in power may provide it with discretion, the circumstances under which the relevant UK resolution authority would exercise its proposed UK bail-in powers are currently uncertain and investors may not be able to refer to publicly available criteria in order to anticipate a potential exercise of any such UK bail-in power. Because the RRD is currently in draft form, there is considerable uncertainty regarding the rights that

investors may have to challenge the exercise of any UK bail-in power by the relevant UK resolution authority and, when the final RRD rules are implemented in the UK, investors' rights may be limited.

As well as the UK bail-in power, the powers currently proposed to be granted to the relevant UK resolution authority under the draft RRD include the power to (i) direct the sale of the bank or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transfer all or part of the business of the bank to a 'bridge bank' (a publicly controlled entity) and (iii) transfer the impaired or problem assets of the relevant financial institution to an asset management vehicle to allow them to be managed over time. There remains significant uncertainty regarding the ultimate nature and scope of these powers and, if ever implemented, how they would affect the Issuer and/or the Securities. Accordingly, it is not yet possible to assess the full impact of the draft RRD on the Issuer and/or investors in Securities, and there can be no assurance that, once it is implemented, the manner in which it is implemented or the taking of any actions by the relevant UK resolution authority currently contemplated in the draft RRD would not adversely affect the rights of holders of the Securities, the price or value of an investment in the Securities and/or the Issuer's ability to satisfy its obligations under the Securities.

### 2.11 **Book-entry securities**

Investors who hold Securities in dematerialised and/or uncertificated form ("**Book-entry Securities**") will not be the legal owners of the Book-entry Securities and may be exposed to additional costs and expenses.

Rights in the Book-entry Securities will be held through custodial and depositary links through the relevant clearing systems. This means that investors in Book-entry Securities:

- will only be able to enforce rights in respect of the Book-entry Securities indirectly through the intermediary depositaries and custodians; and
- in the event of any insolvency or liquidation of an intermediary, could receive less than they otherwise would have if they had invested directly in the Book-entry Securities.

In addition, investors may incur fees, charges, costs, taxes, duties and/or other expenses and liabilities in connection with the acquisition, holding, settlement, transfer or disposal of Book-entry Securities. These expenses and liabilities, which may vary amongst different investors and will depend on the rules and procedures applicable to the relevant Book-entry Securities, could reduce an investor's return.

## 3. **Risks associated with the features of the Securities**

### 3.1 **Determination**

Any determination made by the Issuer or, if applicable, an affiliate of the Issuer, in its capacity as Determination Agent will, if exercised in a commercially reasonable manner, and in the absence of manifest error, be conclusive and binding on all persons (including, without limitation, the investors), notwithstanding the disagreement of such persons or other financial institutions, rating agencies or commentators. Any such determination could adversely affect the value of the Securities.

### 3.2 **Substitution of the Issuer**

In accordance with the terms and conditions of the Securities, the Issuer may be substituted as the principal obligor under the Securities by any company which has an equivalent rating of long-term unsecured, unsubordinated and unguaranteed debt obligations from an internationally recognised rating agency. This may impact any listing of the Securities and, in particular, it may be necessary for the substituted issuer to reapply for listing on the relevant market or stock exchange on which the Securities are listed. In addition, following such a substitution, investors will become subject to the credit risk of the substitute issuer.

### 3.3 **Amendments to the terms and conditions of the Securities bind all investors in Securities**

The terms and conditions of the Securities may be amended by the Issuer in certain circumstances (such as to cure a manifest error or where the amendment is of a minor or technical nature and/or where such amendment will not materially and adversely affect the interests of investors) without the consent of the investors and in certain other circumstances, with the required consent of a defined majority of the investors. The terms and conditions of the Securities contain provisions for investors to call and attend meetings to vote

upon such matters or to pass a written resolution in the absence of such a meeting. Resolutions passed at such a meeting, or passed in writing, can bind all investors, including investors that did not attend or vote, or who do not consent to the amendment.

### 3.4 Adjustment or early redemption due to certain events

There are certain Issuer-specific or external events which may impact on the terms and conditions of the Securities or on their redemption, including a change in law, a currency disruption or a tax event affecting the Issuer's ability to fulfil its obligations under the Securities; or (ii) a disruptive event relating to the existence, continuity, trading, valuation, pricing or publication of the Underlying Asset; or (iii) a disruption or other material impact on the Issuer's ability to hedge its obligations under the Securities (each referred to as an "**Additional Disruption Event**").

If an Additional Disruption Event occurs, the Issuer may;

- adjust the terms and conditions of the Securities (without the consent of investors); or
- elect to redeem the Securities prior to their scheduled redemption date (following which the Issuer shall pay the holder of each Security an amount equal to the Early Cash Settlement Amount of such Securities, or, in respect of certain hedging disruptions, the Early Termination Amount),

in each case, in accordance with the terms and conditions of the Securities.

Any adjustment made to the terms and conditions of the Securities may have a negative effect on the value of the Securities and any Early Cash Settlement Amount or Early Termination Amount received by investors may be less than their initial investment and could be zero.

In addition, if the Issuer determines that the performance of any of its absolute or contingent obligations under the Securities has become illegal, in whole or in part for any reason, the Issuer may redeem the Securities. In such circumstances, if and to the extent permitted by law, the Issuer shall pay the holder of each Security an amount equal to the Early Cash Settlement Amount or Early Termination Amount of such Securities. Investors should note that any amount received from the Issuer in such circumstances may be less than their initial investment and could be zero.

### 3.5 Issuer event of default

On an event of default by the Issuer (such as a failure to pay interest or return capital, or if the Issuer is subject to a winding-up order) investors may choose to require immediate redemption of their Securities at the Early Cash Settlement Amount. Any amount received by investors in such circumstances may be less than their initial investment and could be zero.

### 3.6 The exercise of an Issuer call option or investor put option

Where the terms and conditions of the Securities provide that the Issuer has the right to call and redeem the Securities, or the investor has the right to put and redeem the Securities, then, following the exercise by the Issuer or the investor of such option, an investor will no longer be able to realise his or her expectations for a gain in the value of the Securities or to participate in the performance of any Underlying Asset(s). The yields received upon redemption following an Issuer call or an investor put may be lower than expected, and the amount received may be lower than the initial price paid for the Securities and may be zero. Investors should also be aware that there may be additional costs associated with the exercise of an investor put option.

Additionally, the Issuer call option feature is likely to limit the market value of the Securities, as during any period when the Issuer may elect to call and redeem the Securities, the market value is unlikely to rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

### 3.7 Automatic redemption

The terms of Open-ended Mini Securities and Open-ended Turbo Securities provide that the Issuer will redeem the Securities prior to the scheduled redemption date if a specified early redemption event occurs. A specified early redemption event will occur if the level, price, value or performance of the Underlying Asset breaches a specified threshold. In the event that such a specified early redemption event occurs, investors will

(i) in the case of Open-ended Mini Securities, be paid a redemption amount derived from the price of the Underlying Asset and the outstanding financed amount. Such amount may be zero, or (ii) in the case of Open-ended Turbo Securities, be paid a fixed redemption amount that may be substantially less than the redemption value of such Securities but for the occurrence of such event, or even zero, and in each case, upon a specified early redemption event will lose all or substantially all of their investment in the Securities.

### 3.8 Minimum Tradable Amounts

Where the terms and conditions of the Securities specify a Minimum Tradable Amount consisting of a minimum number of Securities, an investor who holds fewer Securities than the Minimum Tradable Amount in its account with the relevant clearing system at the relevant time:

- (i) will not be able to transfer or sell its holding;
- (ii) may not receive a Definitive Bearer Security in respect of such holding (should Definitive Bearer Securities be printed); and
- (iii) in each case, would need to purchase a number of Securities such that its holding amounts to such Minimum Tradable Amount to be able to sell or transfer Securities or receive a Definitive Bearer Security.

If Definitive Bearer Securities are issued, investors should be aware that those Securities which have a denomination that is not an integral multiple of any minimum denomination may be illiquid and difficult to trade.

### 3.9 No interest

The Securities do not bear interest.

### 3.10 Securities may have foreign exchange risks

If the terms and conditions of the Securities provide that payment under the Securities will be made in a currency which is different from the currency of the Underlying Asset, and/or different from the investor's home currency, the investor in such Securities may (i) be exposed to the adverse movement of the Settlement Currency relative to the currency of the Underlying Asset(s), and/or the investor's home currency; and/or (ii) not be able to benefit from the positive movement of the Settlement Currency relative to the Underlying Asset Currency of the Underlying Asset(s), and/or the investor's home currency.

Investors should be aware that foreign exchange rates are highly volatile and are determined by various factors, including supply and demand for currencies in the international foreign exchange markets, economic factors including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility, safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates as well as the availability of a specified currency.

Foreign exchange fluctuations between an investor's home currency and the currency in which payment under the Securities is due may affect investors who intend to convert gains or losses from the exercise or sale of Securities into their home currency and may eventually cause a partial or total loss of the investor's initial investment.

### 3.11 An investor's return will be reduced through the application of fees

The amount payable upon the redemption of the Securities will be reduced by the application of certain fees (including, if applicable, the Issuer's financing costs in the case of mini or turbo Securities, currency hedging costs in the case of quanto Securities, and the management fee in respect of index tracker Securities). Such fees will accrue on a daily basis throughout the life of the Securities. Accordingly, the longer an investor holds Securities, the greater the amount of such fees to be deducted from the redemption amount of the Securities will be.



### 3.12 **Capital at risk**

The capital invested in the Securities is at risk. Consequently, the amount a prospective investor may receive on cancellation or exercise of its Securities may be less than the amount invested by it and may be zero.

## 4. **Risks associated with the Securities being linked to an Underlying Asset**

### 4.1 **Value of the Securities is linked to the performance of the Underlying Asset**

As the terms and conditions of the Securities reference an Underlying Asset, investors in the Securities are exposed to the performance of such Underlying Asset. The price or performance of the Underlying Asset may be subject to unpredictable change over time, which may depend on many factors, including financial, political, military or economic events, government actions and the actions of market participants. Any of these events could have a negative effect on the value of the Underlying Asset which in turn could adversely affect the value of the Securities.

Investors should also refer to the relevant "Risks associated with specific Underlying Asset" for specific risks relating to their Securities.

### 4.2 **Past performance of an Underlying Asset is not indicative of future performance**

Any information about the past performance of the Underlying Asset available at the time of issuance of the Securities should not be regarded as indicative of any future performance of such Underlying Asset, or as an indication of the range of, trends or fluctuations in the price or value of the Underlying Asset that may occur in the future. It is therefore not possible to predict the future value of the Securities based on such past performance.

### 4.3 **Leveraged exposure to performance of Underlying Asset**

Open-ended Mini Securities and Open-ended Turbo Securities will almost always provide a leveraged exposure to the performance of the Underlying Asset. Leverage increases volatility and amplifies losses and gains. Leveraged Securities provide a return that is a multiple of the performance of the relevant Underlying Asset and magnify losses in adverse market conditions compared to an unleveraged or direct investment in the Underlying Asset (in the case of an index, the stocks comprising such index). Leverage makes it more likely that the Securities will fall for automatic redemption in accordance with their terms.

### 4.4 **Investors will have no claim against any Underlying Asset**

Investors should be aware that the relevant Underlying Asset will not be held by the Issuer for the benefit of the investors and investors will not have any claim in respect of any Underlying Asset or any rights of ownership, including, without limitation, any voting rights or rights to receive dividends or any other distributions in respect of the relevant Underlying Asset. In addition, investors will have no claim against any share issuer, index sponsor, fund issuer, fund sponsor or any other third party in relation to an Underlying Asset; such parties have no obligation to act in the interests of investors.

### 4.5 **Hedging**

Investors intending to purchase Securities to hedge against the market risk associated with investing in a product linked to the performance of an Underlying Asset should recognise the complexities of utilising Securities in this manner. Due to fluctuating supply and demand for the Securities and various other factors, investors should be aware of the risk that the value of the Securities may not correlate with movements of the Underlying Asset.

### 4.6 **Determination Agent alternative calculation or postponement of valuation following a disruption event**

A "disruption event" may occur which prevents valuation of an Underlying Asset as planned. The Determination Agent will determine on any given day whether such a disruption event (including, for example, the failure to open of an exchange on a calculation date) has occurred. In such instance the Determination Agent may;

- Postpone valuation; or

- Provide for an alternative valuation to be calculated; or
- Calculate an alternative valuation in its discretion.

Such action by the Determination Agent may have a negative effect on the value of the Securities and/or may result in the postponement of the redemption date.

Investors should refer to the Underlying Asset specific risk factor for further detail in respect of such disruption events.

#### 4.7 **Emerging markets**

Where the Securities are linked, directly or indirectly, to emerging market jurisdictions investors will be exposed to the risks of volatility, governmental intervention and the lack of a developed system of law which are associated with such jurisdictions.

In relation to Securities linked to securities issued by emerging market issuers, there are specific risks that there is generally less publicly available information about emerging market issuers and potentially less developed accounting, auditing and financial reporting standards and requirements and securities trading rules. Additionally, the prices of securities in emerging market jurisdictions and the financial health of the issuers may be affected by political, economic, financial and social instability in such jurisdictions, including changes in a country's government, economic and fiscal policies, currency exchange laws or other foreign laws or restrictions.

Securities linked indirectly to emerging markets, via securities, indices, commodities or currencies, may also be exposed to the risks of economic, social, political, financial and military conditions in such jurisdictions, including, in particular, political uncertainty and financial instability; the increased likelihood of restrictions on export or currency conversion; the greater potential for an inflationary environment; the possibility of nationalisation or confiscation of assets; the greater likelihood of regulation by the national, provincial and local governments, including the imposition of currency exchange laws and taxes; less liquidity in emerging market currency markets as compared to the liquidity in developed markets and less favourable growth prospects, capital reinvestment, resources and self-sufficiency.

A combination of any or all of the risk factors outlined above may have a negative impact on the value of any Underlying Asset linked to emerging markets or on the value of the Securities directly.

### 5. **Risks associated with specific Underlying Assets**

#### 5.1 **Risks associated with common shares, ADRs, GDRs and ETFs as Underlying Assets**

The performance of common shares, ADRs, GDRs and ETFs is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors as well as company specific factors such as earnings, market position, risk situation, shareholder structure and distribution policy.

##### (a) **Common shares**

*Actions by share issuer may negatively affect the value of the Securities*

The issuer of common shares of a company will not have participated in establishing the terms and conditions of the Securities or the preparation of the Final Terms relating to the Securities and the Issuer will not make any investigation or enquiry in connection with any such share issuer. Consequently, there can be no assurance that all events occurring prior to the relevant issue date that would affect the trading price of the relevant share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning the share issuer could affect the trading price of the share and therefore the trading price of the Securities. Investors should also note that the issuer of any common shares may or may not take actions in respect of common shares without regard to the interests of any investors in the Securities and any of these actions could have a negative effect on the value of the Securities.

***No dividends***

Investors in Securities linked to common shares ADRs, GDRs and ETFs will not participate in dividends or any other distributions paid on those shares.

**(b) Depository Receipts**

American depository receipts ("**ADRs**") are instruments issued in the US in the form of share certificates representing a number of shares held outside the US, in the country where the share issuer is domiciled. Global depository receipts ("**GDRs**") are instruments in the form of share certificates representing a number of shares held in the country of domicile of the share issuer and are usually offered or issued in a country other than the US

The amount an investor receives on Securities linked to ADRs or GDRs may not reflect the return such investors would obtain if they actually owned the shares underlying such ADRs or GDRs because the price of the ADR or GDR may not take into account the value of any dividends paid on the underlying shares. Accordingly, investors who purchase Securities that are linked to ADRs or GDRs may receive a lower return on the Securities than they would have received if they had invested in the shares underlying such ADRs or GDRs directly.

***Risk of non-recognition of beneficial ownership***

The legal owner of the shares underlying the ADRs or GDRs is the custodian bank which is also the issuing agent of the depository receipts. Depending on the jurisdiction under which the depository receipts have been issued, investors should be aware of the risk that such jurisdiction does not legally recognise the purchasers of the ADR or GDR as the beneficial owner of the underlying shares. In the event the custodian becomes insolvent or that enforcement measures are taken against the custodian it is possible that an order restricting the free disposition of the underlying shares is issued. In this event the purchaser of an ADR or GDR may lose its rights to the underlying shares under the ADR or GDR and the ADR or GDR would become worthless. As a result, the value of the Securities may be negatively affected and could become worthless.

**(c) Exchange Traded Funds ("ETFs")**

Where the Securities are linked to an interest in an ETF (being a fund, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement and holding assets, such as shares, bonds, indices, commodities and/or other securities such as financial derivative instruments (for the purposes of this sub-paragraph, "Reference Asset(s)") and listed on a recognised exchange) and the investment objective of such ETF is to track the performance of such Reference Asset(s), the investors of such Securities are exposed to the performance of such ETF rather than the Reference Asset(s). The investors will bear the risk that such ETF may not reflect the actual return such investors would obtain if they actually owned Reference Asset(s) underlying such ETF. Accordingly, investors who purchase Securities that are linked to an ETF may receive a lower payment upon cancellation of such Securities than such investors would have received if they had invested in the Reference Asset(s) underlying such ETF directly.

There is a risk that the ETF managers will not succeed in meeting the investment objectives of the ETF, that any analytical model used thereby will prove to be incorrect and that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which such ETF has or may invest will prove inaccurate.

The management company, trustee or sponsor of an ETF will have no involvement in the offer and sale of the Securities and accordingly will have no obligation to any investor in the Securities and could take any actions without regard to the interests of investors in the Securities, which may have a negative effect on the value of the Securities.

An ETF may invest in financial derivative instruments which expose the ETF and an investor to the credit, liquidity and concentration risks of the counterparties to such financial derivative instruments.

**5.2 Share specific risks*****Extraordinary events***

Certain extraordinary events relating to the underlying shares or the issuer of the relevant underlying shares

(such as a share-for-share merger where the relevant company is not the surviving entity) may result in the amendment of the terms and conditions of the Securities the early redemption of the Securities or the replacement of the referenced shares for substitute shares.

#### ***Potential adjustment event***

On the occurrence of an event which has a diluting or concentrating effect on the value of the Underlying Asset, a "Potential Adjustment Event" as defined in the terms and conditions of the Securities, the Determination Agent may amend the terms and conditions of the Securities, or may opt to deliver additional Securities or cash to the investor to account for the diluting or concentrative effect of the event.

Any of the above adjustments may have a negative effect on the value of the Securities.

### **5.3 Risks associated with equity indices as Underlying Assets**

Index Linked Securities offer investors the opportunity to invest in Securities linked to the performance of an equity index. Such Securities provide investment diversification opportunities, but will be subject to the risk of fluctuations in both equity prices and the value and volatility of the relevant equity index.

Equity indices are comprised of a synthetic portfolio of shares, and, as such, the performance of an Equity index is in turn subject to the risks associated with indices, as outlined below, and with Shares as specified above in risk factor 5.1 "*Risks associated with common shares, ADRs, GDRs and ETFs as Underlying Assets*".

The amount payable on any Securities that reference equity indices may not reflect the return that an investor would realise if he or she actually owned the relevant shares of the companies comprising that equity index because the closing index level on any specified valuation date may reflect the prices of such index components without taking into account any dividend payments on those component shares. Accordingly, investors in Securities linked to an equity index may receive a lower return on the Securities than such investor would have received if he or she had invested directly in those shares.

Investors in Securities linked to equity indices will not directly participate in dividends or any other distributions paid on the shares which make up such indices.

#### ***Change in composition, methodology or policy used in compiling the Index***

The Index Sponsor can add, delete or substitute the components of an Index at its discretion, and may also alter the methodology used to calculate the level of the Index. These events may have a detrimental impact on the level of the Index, which in turn could have a negative impact on payments to be made to investors in the Securities.

#### ***Adjustment event***

If the Index Sponsor makes a material alteration to the Index or cancels the Index and no successor exists, or fails to calculate and announce the Index, the Determination Agent may, if it deems the event to have a material effect on the Securities, calculate the level of the Index as per the previous formula and method or cancel the Securities prior to their scheduled exercise date in accordance with the terms and conditions of the Securities.

If a correction to the relevant Index is published prior to the next payment date the Determination Agent will recalculate the amount payable based on the corrected level of the relevant Index.

If there is a manifest error in the calculation of the Index in the opinion of the Determination Agent, the Determination Agent may recalculate the Index based on the formula and method used prior to the manifest error occurring.

#### ***Successor Index or Index Sponsor***

If the index is calculated by a successor index sponsor, or, is replaced by a successor index, the successor index or index as calculated by the successor index sponsor, will be deemed to be the Index of approved by the Determination Agent.

***The Index or any of its underlying components may trade around-the-clock; however, the Securities may trade only during regular trading hours in Europe***

If the market for the relevant Index or any of its underlying components is a global, around-the-clock market, the hours of trading for the Securities may not conform to the hours during which the relevant Index or any of its underlying components are traded. Significant movements may take place in the levels, values or prices of the relevant Index or any of its underlying components that will not be reflected immediately in the price of the relevant Securities. There may not be any systematic reporting of last-sale or similar information for the relevant Index or any of its underlying components. The absence of last-sale or similar information and the limited availability of quotations would make it difficult for many investors to obtain timely, accurate data about the state of the market for the relevant Index or any of its underlying components.

***Data sourcing and calculation***

The annual composition of indices are typically recalculated in reliance upon historic price, liquidity and production data that are subject to potential errors in data sources or other errors that may affect the weighting of the index components. Any discrepancies that require revision are not applied retroactively but will be reflected in the weighting calculations of the Index for the following year. Index sponsors may not discover every discrepancy.

Investors should also refer to the risk factors specific to the underlying assets to which the relevant Index is linked.

**5.4 Risks associated with dividends of shares comprised in an Equity Index that is a dividend index**

Where the Securities reference dividends of shares comprised in an Equity Index, investors in such Securities will be exposed to the declaration and payment of such dividends (if any) by the issuers of such shares, and such declaration and payment of dividends (if any) may be subject to the following risks:

- The value of the dividends paid by the individual constituent members of the Equity Index may be influenced by many factors: Payments of cash dividends by constituent members of the Equity Index may be reduced or not made at all due to a variety of independent factors, such as earnings and dividend policy, which could result in a reduction in the value of the Securities.
- Changes to the regulator and tax environment: Tax and regulatory decisions may result in reductions in the amount of dividends paid by individual constituent members of the Equity Index.
- Constituent members of the Equity Index may not pay dividends in the relevant dividend period at all: If no dividends are paid by constituent members of the Equity Index during the relevant dividend period to which the Securities are linked, investors could receive no return on their investment and, in some instances, the Securities may be worth zero.
- Not all dividends paid by constituent members may be reflected in the level of the Equity Index: The Equity Index may only reflect certain types of dividends, such as ordinary unadjusted gross cash dividends and/or withholding taxes on special cash dividends and capital returns as applied to the constituent members and may exclude extraordinary dividends which may, in turn, result in a lower return on the Securities.

**6. Risks associated with the Issuer's ability to fulfil its obligations under the Securities**

***Investors in Securities are exposed to the creditworthiness of the Issuer***

The Securities are direct, unsecured and unsubordinated obligations of the Issuer and will rank equally among themselves. Any payments to be made by the Issuer under the Securities are dependent upon the Issuer's ability to fulfil its obligations when they fall due. Investors are therefore exposed to the creditworthiness of the Issuer and any deterioration in the Issuer's creditworthiness or perceived creditworthiness (whether measured by actual or anticipated changes in the credit ratings of the Issuer) may adversely affect the value of the Securities.

The Issuer is a major, global financial services company and, as such, faces a variety of risks that are substantial and inherent in its businesses, and which may affect its ability to fulfil its payment, delivery or

other obligations under the relevant Securities. These risks include liquidity risk, market risk, credit risk, operational risk, reputational risk, legal, regulatory and compliance risks, litigation and other contingent liabilities, competition risks, the financial condition of clients, customers and counterparties, adverse economic, monetary, political or legal developments, cross-border and foreign exchange risk, catastrophic events, risks from estimates and valuations and risks relating to strategy.

***Credit Risk: The financial condition of the Issuer's customers, clients and counterparties, including other financial institutions, could adversely affect the Issuer***

The Issuer is exposed to the risk of suffering loss if any of its customers, clients or market counterparties fails to fulfil its contractual obligations. The Issuer may also suffer loss where the downgrading of an entity's credit rating causes a fall in the value of the Issuer's investment in that entity's financial instruments. In addition, the Issuer may incur significant unrealised gains or losses due solely to changes in the Issuer's credit spreads or those of third parties, as these changes may affect the fair value of the Issuer's derivative instruments and the debt securities that the Group holds or issues. Weak or deteriorating economic conditions negatively impact these counterparty and credit-related risks. In recent times, the economic environment in the Issuer's main business markets (being Europe and the United States) have been marked by generally weaker than expected growth, increased unemployment, depressed housing prices, reduced business confidence, rising inflation and contracting GDP. Operations in the Eurozone remain affected by the ongoing sovereign debt crisis, the stresses being exerted on the financial system and the risk that one or more countries may exit the Euro. The current absence of a predetermined mechanism for a member state to exit the Euro means that it is not possible to predict the outcome of such an event and to accurately quantify the impact of such event on the Issuer's profitability, liquidity and capital. If some or all of these conditions persist or worsen, they may have a material adverse effect on the Issuer's operations, financial condition and prospects.

***Legal and regulatory related risks: The Issuer operates within a highly regulated industry, and the Issuer's businesses and results are significantly affected by the laws and regulations to which it is subject***

As a global financial services firm, the Issuer is subject to extensive and comprehensive regulation under the laws of the various jurisdictions in which it does business. These laws and regulations significantly affect the way that the Issuer does business, and can restrict the scope of its existing businesses and limit its ability to expand its product offerings or to pursue acquisitions, or can make its products and services more expensive for clients and customers. Non-compliance by the Issuer with applicable laws, regulations and codes relevant to the financial services industry could lead to fines and/or substantial monetary damages, public reprimands, damage to reputation, increased prudential requirements, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate.

Other significant legal risks faced by the Issuer include the risk that key contractual or intellectual property rights are not adequately protected or are not enforced as originally expected, as well as the risk from regulatory investigations and proceedings and private actions brought by third parties. The nature of any future disputes and legal or regulatory investigations or proceedings, and the likelihood of their occurring, cannot be predicted in advance. Furthermore, the outcome of any on-going disputes and legal or regulatory investigations or proceedings is difficult to predict. However, it is likely that in connection with any such on-going and future matters the Group will incur significant expense and one or more of them could expose the Issuer to substantial monetary damages; other penalties and injunctive relief; potential regulatory restrictions on the Group's business; and/or negative effect on the Group's reputation. Where provisions have already been taken for on-going matters these are based on the best currently available information, however the appropriate level of provisions are kept under on-going review and there is a risk that provisions may need to be increased to the extent that experience with any such matters is not in line with management estimates.

***Market Risk: The Issuer's financial position may be adversely affected by changes in both the level and volatility of prices (for example, interest rates, credit spreads, commodity prices, equity prices and foreign exchange rates)***

Market risk is the risk of the Issuer's earnings or capital being reduced due to volatility of trading book positions or an inability to hedge the banking book balance sheet. The Issuer is at risk from its earnings or capital being reduced due to: (i) changes in the level or volatility of positions in its trading books. This includes changes in interest rates, inflation rates, credit spreads, property prices, commodity prices, equity and bond prices and foreign exchange levels; (ii) the Issuer being unable to hedge its banking book balance sheet at prevailing market levels; and (iii) the Issuer's defined pensions benefit obligations increasing or the

value of the assets backing these defined pensions benefit obligations decreasing due to changes in both the level and volatility of prices.

Market risk could lead to significantly lower revenues and adversely affect the Issuer's results of operations in future years.

***Funding Risk: If the Issuer does not effectively manage its liquidity (liquidity risk) and capital ratios (capital risk) its business could suffer***

Funding risk comprises capital risk, liquidity risk and structural risk. Liquidity risk is the risk that the Group is unable to meet its obligations as they fall due resulting in: an inability to support normal business activity, a failure to meet liquidity regulatory requirements; and/or credit rating downgrades. The Issuer is exposed to the risk that it may be unable to meet its obligations as they fall due as a result of a sudden, and potentially protracted, increase in net cash outflows. These outflows could be principally through customer withdrawals, wholesale counterparties removing financing, collateral posting requirements or loan draw-downs. Any credit rating downgrade as a result of funding constraints in turn could result in further contractual outflows due to collateral posting and potentially loss of unsecured funding.

Capital risk is the risk that the Group is unable to maintain appropriate capital ratios, which could lead to: an inability to support business activity; a failure to meet regulatory requirements; and/or credit rating downgrades, which could also result in increased costs or reduced capacity to raise funding.

In particular, there have been a number of regulatory developments that impact the Issuer's capital requirements; most significantly, Basel 3, which is planned to be adopted into EU law through the fourth Capital Requirements Directive (CRD IV) and Capital Requirements Regulation which have not yet been published. Additional capital requirements may arise from other proposals including the recommendations of the UK Independent Commission on Banking, including with respect to 'ring-fencing' separately the trading and non-trading businesses of banks: The Financial Services (Banking Reform) Bill; EU Review; and, section 165 of the Dodd-Frank Act. Increased capital requirements and changes to what is defined to constitute capital may constrain the Issuer's planned activities and could increase costs and contribute to adverse impacts on the Issuer's earnings. In addition, these laws could result in changes to the structure of Barclays, and an increase in the amount of loss-absorbing capital issued by Barclays which could have an adverse impact on profitability, return on equity and financial condition.

Structural risk predominantly arises from the impact on the Issuer's balance sheet of changes in primarily interest rates on income or foreign exchange rates on capital ratios and is, therefore, difficult to predict with any accuracy and may have a material adverse effect on the Issuer's results of operations, financial condition and prospects.

***Reputation Risk: Damage to the Issuer's reputation could damage its businesses***

Reputational damage can result from the actual or perceived manner in which the Issuer conducts its business activities, from its financial performance, or from actual or perceived practices in the banking and financial industry. Such reputational damage reduces – directly or indirectly – the attractiveness of the Issuer to stakeholders and may lead to negative publicity, loss of revenue, litigation, regulatory or legislative action, loss of existing or potential client business, reduced workforce morale, and difficulties in recruiting talent. Sustained reputational damage could have a materially negative impact on our licence to operate and the value of the Issuer's franchise, which in turn could negatively affect the Issuer's profitability and financial condition.

***Infrastructure Resilience, Technology and Cyberspace risk could materially adversely affect the Issuer's operations***

The Issuer is exposed to risks to its infrastructure resilience and maintaining a banking infrastructure which allows its customers to access their accounts and make payments in a timely fashion. Any disruption in a customer's access to their account information or delays in making payments will have a significant impact on the Issuer's performance and reputation. Furthermore, there is a growing threat of attacks to the Issuer's systems, customers and the Group's information held on customers and transactions processed through these systems from individuals or groups via cyberspace. Risks to technology and cybersecurity change rapidly and require continued focus and investment. Failure to protect against such risks may lead to significant financial and legal exposure.

***Transform Programme***

The Group, as a part of its strategic review and 'Transform Programme', is seeking to restructure its European retail operations to focus on the mass affluent customer segment, manage risk weighted assets more efficiently through run-off of legacy assets in Europe and reduce total costs significantly across the Group. As a result, the Group expects to incur significant restructuring charges and costs associated with implementing the strategic plan. The development and implementation of the restructuring requires difficult, subjective and complex judgements including forecasts of economic conditions in various parts of the world. Failure to successfully implement the Transform Programme could have a material adverse effect on the expected benefits of the Transform Programme and there is a risk the costs associated with implementing the scheme may be higher than the current expectations for its success.

***Taxation risk could materially adversely affect the Issuer's operations***

The Issuer may suffer losses arising from additional tax charges, other financial costs or reputational damage due to: failure to comply with or correctly assess the application of relevant tax law; failure to deal with the tax authorities in a timely, transparent and effective manner; incorrect calculation of tax estimates for reported and forecast tax numbers; or provision of incorrect tax advice.

***The Issuer is affected by risks affecting its parent company***

The Issuer is also affected by risks affecting its parent company, Barclays PLC. Risks that affect Barclays PLC can also affect the Issuer as there is substantial overlap in the businesses of the Issuer and Barclays PLC. Further, the Issuer can be negatively affected by risks and other events affecting Barclays PLC even where the Issuer is not directly affected. For example, where Barclays PLC's reputation is damaged, the Issuer's reputation would likely also be damaged which could negatively affect the Issuer.

For more information on the risks outlined in this paragraph 6, including information relating to the Issuer's framework for managing risks, please see the section 'Risk Management' in the joint Annual Report of the Issuer and Barclays PLC, as filed with the US Securities and Exchange Commission on Form 20-F (the "**Joint Annual Report**"), from page 69 to page 160, which is incorporated by reference herein.

**7. Risks associated with conflicts of interest****7.1 Conflicts between the Issuer and investors**

The Issuer and its affiliates may engage in trading and market-making activities and may hold long or short positions in instruments or derivative products based on or related to the relevant Underlying Asset for their proprietary accounts or for other accounts under their management. To the extent that the Issuer, directly or through its affiliates, serves as issuer, agent, manager, sponsor or underwriter of such instruments, its interests with respect to such products may be adverse to those of the investors.

In connection with the offering of the Securities, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Underlying Asset or related derivatives. In connection with such hedging activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in derivatives related to the Underlying Asset which may, but are not intended to, affect the market price, liquidity or value of the Securities and which could be adverse to the interests of investors. The Issuer and/or any of its affiliates may pursue such hedging or related derivatives actions and take such steps as they deem necessary or appropriate to protect their interests without regard to the consequences for any investor.

Certain affiliates of the Issuer may from time to time, by virtue of their status as underwriter, adviser or otherwise, possess or have access to information relating to the Securities, the Underlying Asset and any derivative instruments referencing them. Such affiliates will not be obliged to and will not disclose any such information to an investor of Securities.

**7.2 Determination Agent and conflicts of interest**

As the Determination Agent may be either the Issuer or an affiliate of the Issuer, potential conflicts of interest may exist between the Determination Agent and investors, including with respect to the exercise of certain powers that the Determination Agent has. The Determination Agent has the authority: (i) to determine whether certain specified events relating to Securities have occurred, and (ii) to determine any resulting



adjustments and calculations to be made to the Securities as a result of the occurrence of such events. Any determination made by the Determination Agent may adversely affect the value of the Securities.

## GENERAL DESCRIPTION OF THE PROGRAMME

Description:	<p>Global Structured Securities Programme ("<b>Programme</b>").</p> <p>This Base Prospectus is one of a number of prospectuses which relate to the Programme.</p> <p>Securities are issued under the Agency Agreement.</p>
Issuer (and legislation under which the Issuer operates):	<p>Barclays Bank PLC</p> <p>The Issuer is authorised under the Financial Services and Markets Act 2000 (FSMA) to operate a range of regulated activities within the UK and is subject to consolidated prudential supervision by the United Kingdom Prudential Regulation Authority (PRA).</p>
Managers:	<p>Barclays Bank PLC, Barclays Capital Inc. and any other Manager specified in the Final Terms.</p>
Issue and Paying and Transfer Agent:	<p>The Bank of New York Mellon, London Branch</p>
Determination Agent:	<p>Barclays Bank PLC/Barclays Capital Securities Limited.</p>
Types of Securities:	<p>Subject to compliance with all relevant laws, regulations and directives, the Securities that may be issued under the Programme are non-interest bearing certificates where the redemption amount or amount to be paid or delivered on settlement is linked to an equity index, share, depositary receipt or exchange traded fund (the "<b>Underlying Asset</b>").</p> <p>Securities for which the applicable Type of Security is "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)" aim to provide a positive return (as adjusted by applicable fees and costs) if the value of the Underlying Asset rises in the period from the Issue Date to the date on which they are redeemed and, conversely, a negative return if the level of the Underlying Asset falls over the investment period, and will redeem automatically if the value of the Underlying Asset breaches a specified threshold at a redemption amount that will be based on the value of the Underlying Asset.</p> <p>Securities for which the applicable Type of Security is "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)" aim to provide a positive return (as adjusted by applicable fees and costs) if the value of the Underlying Asset falls in the period from the Issue Date to the date on which they are redeemed and, conversely, a negative return if the level of the Underlying Asset rises over the investment period, and will redeem automatically if the value of the Underlying Asset breaches a specified threshold at a redemption amount that will be based on the value of the Underlying Asset.</p> <p>Securities for which the applicable Type of Security is "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Long (Quanto)" aim to provide a positive return (as adjusted by applicable fees and costs) if the value of the Underlying Asset rises in the period from the Issue Date to the date on which they are redeemed and, conversely, a</p>

negative return if the level of the Underlying Asset falls over the investment period, and will redeem automatically if the value of the Underlying Asset breaches a specified threshold at a fixed redemption amount that may be equal to zero.

Securities for which the applicable Type of Security is "Open-ended Turbo Short (Local)" or "Open-ended Turbo Short (Currency Translated)" or "Open-ended Turbo Short (Quanto)" aim to provide a positive return (as adjusted by applicable fees and costs) if the value of the Underlying Asset falls in the period from the Issue Date to the date on which they are redeemed and, conversely, a negative return if the level of the Underlying Asset rises over the investment period, and will redeem automatically if the value of the Underlying Asset breaches a specified threshold at a fixed redemption amount that may be equal to zero.

Securities for which the applicable Type of Security is "Open-ended Tracker without Management Fee Drain (Local)" or "Open-ended Tracker without Management Fee Drain (Currency Translated)" or "Open-ended Tracker (Quanto) Type A" or "Open-ended Tracker with Management Fee Drain (Local)" or "Open-ended Tracker with Management Fee Drain (Currency Translated)" or "Open-ended Tracker (Quanto) Type B" aim to provide a positive return (as adjusted by applicable fees and costs, including the accrued management fee, if applicable) if the value of the Underlying Asset rises in the period from the Issue Date to the date on which they are redeemed and, conversely, a negative return if the level of the Underlying Asset falls over the investment period.

"Currency Translated" Securities are issued in a different currency to the currency in which the Underlying Asset is denominated, and amounts payable are determined by reference to the prevailing rate of exchange between such currencies.

"Quanto" Securities are issued in a different currency to the currency in which the Underlying Asset is denominated, and amounts payable are determined by reference to a fixed exchange rate and taking into account a hedging fee in respect of such fixed exchange rate.

Status:	The Securities constitute direct, unsecured and unsubordinated obligations of the Issuer and rank equally among themselves. The payment obligations of the Issuer under the Securities will rank equally with all other present and future unsecured and unsubordinated obligations of the Issuer (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application). The Securities do not evidence deposits of the Issuer. The Securities are not insured or guaranteed by any government or government agency.
Listing and admission to trading:	Applications may be made to admit the Securities for listing on a regulated market as disclosed in the Final Terms. Securities may also be unlisted.
Rating:	Securities may be unrated or rated.
Governing Law:	Securities issued under this Programme may be governed under the laws of one of a number of different jurisdictions. All Securities issued under this Base Prospectus shall be governed under English law.

## General Description of the Programme

Issue Price:	The Securities will be issued at a price determined by the Issuer or the dealer who may, in making such determination, refer to, amongst other factors, the value of the Underlying Asset, the relevant Security Ratio and any applicable foreign exchange rate(s).
Currencies:	Subject to compliance with all applicable laws, regulations and directives, Securities may be issued in any currency.
Maturities:	The Securities have no specified date of maturity, and are redeemable at the option of the Issuer or the holders as provided in their terms.
Method of Issue:	The Securities will be issued in one or more series and each series may be issued in tranches on the same or different issue dates. The Securities of each series are intended to be interchangeable with all other Securities of that series
Selling Restrictions:	The offer and sale of Securities may be restricted in certain jurisdictions.

**INFORMATION INCORPORATED BY REFERENCE**

The following information has been filed with the CSSF and shall be incorporated in, and form part of, this Base Prospectus:

- the unaudited Interim Management Statement of Barclays PLC as filed with the SEC on Form 6-K on Film Number 13779449 on 24 April 2013 in respect of the three months ended 31 March 2013.
- the sections set out below from the joint Annual Report of the Issuer and Barclays PLC, as filed with the US Securities and Exchange Commission (the "SEC") on Form 20-F in respect of the years ended 31 December 2011 and 31 December 2012 (the "**Joint Annual Report**").
- the Annual Reports of the Issuer containing the audited consolidated financial statements of the Issuer in respect of the years ended 31 December 2011 (the "**2011 Issuer Annual Report**") and 31 December 2012 (the "**2012 Issuer Annual Report**"), respectively.

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The Issuer has applied International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and as adopted by the European Union (the "**EU**") in the audited consolidated financial statements of the Issuer in respect of the years ended 31 December 2011 and 31 December 2012 incorporated by reference above. An overview of the significant accounting policies for the Issuer is included in the 2011 Issuer Annual Report and the 2012 Issuer Annual Report.

The above documents may be inspected: (i) during normal business hours at the registered office of the Issuer; (ii) at <http://group.barclays.com/about-barclays/investor-relations/results-announcements>; and (iii) at the specified office of the Issue and Paying Agent as described in the section entitled 'General Information'.

Any information contained in any of the documents specified above which is not incorporated by reference in the Base Prospectus is either not relevant for investors for the purposes of Article 5(1) of the Prospectus Directive or is covered elsewhere in the Base Prospectus.

## INFORMATION RELATING TO THE ISSUER

*This section provides a description of the Issuer's business activities as well as certain financial information in respect of the Issuer.*

### The Issuer and the Group

The Issuer is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Issuer is limited. It has its registered and head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Issuer was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Issuer was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'.

The Issuer and its subsidiary undertakings (taken together, the "**Group**") is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services with an extensive international presence in Europe, United States, Africa and Asia. The whole of the issued ordinary share capital of the Issuer is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group.

The short term unsecured obligations of the Issuer are rated A-1 by Standard & Poor's Credit Market Services Europe Limited<sup>1</sup>, P-1 by Moody's Investors Service Ltd.<sup>2</sup>, and F1 by Fitch Ratings Limited<sup>3</sup> and the long-term obligations of the Issuer are rated A+ by Standard & Poor's Credit Market Services Europe Limited<sup>4</sup>, A2 by Moody's Investors Service Ltd.<sup>5</sup>, and A by Fitch Ratings Limited<sup>6</sup>.

Based on the Group's audited financial information for the year ended 31 December 2012, the Group had total assets of £1,490,747 million (2011: £1,563,402 million), total net loans and advances of £466,627 million (2011: £478,726 million), total deposits of £462,806 million (2011: £457,161 million), and total shareholders' equity of £62,894 million (2011: £65,170 million) (including non-controlling interests of £2,856 million (2011: £3,092 million)). The profit before tax from continuing operations of the Group for the year ended 31 December 2012 was £99 million (2011: £5,974 million) after credit impairment charges and other provisions of £3,596 million (2011: £3,802 million). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Issuer for the year ended 31 December 2012.

Total net loans and advances include balances relating to both bank and customer accounts.

Total deposits include deposits from bank and customer accounts.

***Investors should have regard to the Issuer and group disclosure set out in the Joint Annual Report (each as defined in the section of this Base Prospectus entitled 'Information Incorporated by Reference').***

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**Notes on Issuer ratings:** The information in these footnotes has been extracted from information made available by each rating agency referred to below. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such rating agencies, no facts have been omitted which would render the reproduced information inaccurate or misleading.

<sup>1</sup> A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

<sup>2</sup> 'P-1' issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

<sup>3</sup> An 'F1' rating indicates the highest short-term credit quality and the strongest intrinsic capacity for timely payment of financial commitments; may have an added '+' to denote any exceptionally strong credit feature.

<sup>4</sup> An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

<sup>5</sup> Obligations rated 'A' are considered upper-medium grade and are subject to low credit risk. Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from 'Aa' through 'Caa'. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

<sup>6</sup> An 'A' rating indicates high credit quality and denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.



## Acquisitions, Disposals and Recent Developments

### *Strategic combination of Barclays Africa with Absa Group Limited*

On 6 December 2012, the Issuer announced that it had agreed to combine the majority of its Africa operations (the "**Portfolio**") with Absa Group Limited ("**Absa**"). The proposed strategic combination will be effected by way of an acquisition by Absa of Barclays Africa Limited, the proposed holding company of the Portfolio, for a consideration of 129,540,636 Absa ordinary shares (representing a value of approximately £1.3 billion for Barclays Africa Limited). As a result of the transaction, the Issuer's stake in Absa will increase from 55.5 per cent to 62.3 per cent. The proposed combination is expected to complete in the first half of 2013, subject to fulfilment of conditions precedent, including regulatory approvals across the affected jurisdictions.

### *Acquisition of ING Direct UK*

On 9 October 2012, the Issuer announced that it had agreed to acquire the deposits, mortgages and business assets of ING Direct UK. Under the terms of the transaction, which completed on 5 March 2013, the Issuer acquired, amongst other business assets a deposit book with balances of approximately £11.4 billion and a mortgage book with outstanding balances of approximately £5.3 billion.

### *Disposal of stake in BlackRock, Inc.*

On 22 May 2012, the Issuer announced that it had agreed to dispose of the Issuer's entire holding in BlackRock, Inc. ("**BlackRock**") pursuant to an underwritten public offer and a partial buy-back by BlackRock. On disposal, the Issuer received net proceeds of approximately US\$ 5.5 billion (£3.5 billion).

### *Impact of Strategic Review*

On 12 February 2013, the Issuer announced the outcome of its strategic review. As a result of certain commitments made in the review, the Issuer incurred a restructuring charge of approximately £514 million in the first quarter of 2013 and expects to incur costs associated with implementing the restructuring plan of £1 billion in 2013, £1 billion in 2014 and £0.7 billion in 2015.

## Competition and Regulatory Matters

### *Regulatory change*

There is continuing political and regulatory scrutiny of the banking industry which, in some cases, is leading to increased or changing regulation which is likely to have a significant effect on the industry.

On 4 February 2013, the UK Government introduced the Financial Services (Banking Reform) Bill (the "**Bill**") to the House of Commons. The Bill would give the UK authorities the powers to implement the key recommendations of the Independent Commission on Banking by requiring, amongst other things: (i) the separation of the UK and EEA retail banking activities of UK banks in a legally distinct, operationally separate and economically independent entity (so-called 'ring-fencing'); and (ii) the increase of the loss-absorbing capacity of ring-fenced banks and UK-headquartered global systemically important banks to levels higher than the Basel 3 guidelines. The Bill would also give depositors protected under the Financial Services Compensation Scheme preference if a bank enters insolvency. At the same time, the UK Government announced that it will be bringing forward amendments to the Bill to establish a reserve power allowing the regulator, with approval from the UK Government, to enforce full separation under certain circumstances. The UK Government is expected to publish draft secondary legislation by late summer this year. The UK Government intends that primary and secondary legislation will be in place by the end of this Parliament (May 2015) and that UK banks will be required to be compliant by 1 January 2019.

The US Dodd-Frank Wall Street Reform and Consumer Protection Act contains far reaching regulatory reform including potential reform of the regulatory regime for foreign banks operating in the US which may, amongst other things, require the US subsidiaries of foreign banks to be held under a US intermediate holding company subject to a comprehensive set of prudential and supervisory requirements in the US. The full impact on the Issuer's businesses and markets will not be known until the principal implementing rules are adopted in final form by governmental authorities, a process which is under way and which will take effect over several years.

*Interchange*

The Office of Fair Trading, as well as other competition authorities elsewhere in Europe, continues to investigate Visa and MasterCard credit and debit interchange rates. These investigations may have an impact on the consumer credit industry as well as having the potential for the imposition of fines. The timing of these cases is uncertain and it is not possible to provide an estimate of the potential financial impact of this matter on the Issuer.

*London Interbank Offered Rate*

The United Kingdom Financial Conduct Authority (the "FCA" and formerly the Financial Services Authority), the US Commodity Futures Trading Commission (the "CFTC"), the SEC, the US Department of Justice Fraud Section (the "DOJ-FS") and Antitrust Division, the European Commission, The UK Serious Fraud Office and various US state attorneys general are amongst various authorities conducting investigations (the 'Investigations') into submissions made by the Issuer and other panel members to the bodies that set various interbank offered rates, such as the London Interbank Offered Rate ("LIBOR") and the Euro Interbank Offered Rate ("EURIBOR").

On 27 June 2012, the Issuer announced that it had reached settlements with the FCA, the CFTC and the DOJ-FS in relation to their Investigations and the Issuer has agreed to pay total penalties of £290 million (pounds sterling equivalent), which have been reflected in operating expenses for 2012. The settlements were made by entry into a Settlement Agreement with the FCA, a Non-Prosecution Agreement ("NPA") with the DOJ-FS and a Settlement Order Agreement with the CFTC. In addition, the Issuer has been granted conditional leniency from the Antitrust Division of the Department of Justice in connection with potential US antitrust law violations with respect to financial instruments that reference EURIBOR.

The terms of the Settlement Agreement with the FCA are confidential. However, the Final Notice of the FCA, which imposed a financial penalty of £59.5 million, is publicly available on the website of the FCA. This sets out the reasoning of the FCA for the penalty, references the settlement principles and sets out the factual context and justification for the terms imposed. Summaries of the NPA and the CFTC Order are set out below. The full text of the NPA and the CFTC Order are publicly available on the websites of the DOJ and the CFTC, respectively.

In addition to a US\$ 200 million civil monetary penalty, the CFTC Order requires the Issuer to cease and desist from further violations of specified provisions of the US Commodity Exchange Act and take specified steps to ensure the integrity and reliability of its benchmark interest rate submissions, including LIBOR and EURIBOR, and improve related internal controls. Amongst other things, the CFTC Order requires the Issuer to:

- make its submissions based on certain specified factors, with the Issuer's transactions being given the greatest weight, subject to certain specified adjustments and considerations;
- implement firewalls to prevent improper communications including between traders and submitters;
- prepare and retain certain documents concerning submissions and retain relevant communications;
- implement auditing, monitoring and training measures concerning its submissions and related processes;
- make regular reports to the CFTC concerning compliance with the terms of the CFTC Order;
- use best efforts to encourage the development of rigorous standards for benchmark interest rates; and
- continue to cooperate with the CFTC's ongoing investigation of benchmark interest rates.

As part of the NPA, the Issuer agreed to pay a US\$ 160 million penalty. In addition, the DOJ agreed not to prosecute the Issuer for any crimes (except for criminal tax violations, as to which the DOJ cannot and does not make any agreement) related to the Issuer's submissions of benchmark interest rates, including LIBOR and EURIBOR, contingent upon the Issuer's satisfaction of specified obligations under the NPA. In

particular, under the NPA, the Issuer agreed for a period of two years from 26 June 2012, amongst other things, to:

- commit no United States crime whatsoever;
- truthfully and completely disclose non-privileged information with respect to the activities of the Issuer, its officers and employees, and others concerning all matters about which the DOJ inquires of it, which information can be used for any purpose, except as otherwise limited in the NPA;
- bring to the DOJ's attention all potentially criminal conduct by the Issuer or any of its employees that relates to fraud or violations of the laws governing securities and commodities markets; and
- bring to the DOJ's attention all criminal or regulatory investigations, administrative proceedings or civil actions brought by any governmental authority in the United States by or against the Issuer or its employees that alleges fraud or violations of the laws governing securities and commodities markets.

The Issuer also agreed to cooperate with the DOJ and other government authorities in the United States in connection with any investigation or prosecution arising out of the conduct described in the NPA, which commitment shall remain in force until all such investigations and prosecutions are concluded. The Issuer also continues to cooperate with the other ongoing investigations.

It is not practicable to provide an estimate of the financial impact of these matters or what effect, if any, that the matters might have upon operating results, cash flows or the Issuer's financial position in any particular period.

Please see 'Legal Proceedings — LIBOR Civil Actions' for a discussion of litigation arising in connection with the Investigations.

#### *Interest Rate Hedging Product Redress*

On 29 June 2012, the FCA announced that it had reached agreement with a number of UK banks, including the Issuer, in relation to a review and redress exercise to be carried out in respect of interest rate hedging products sold to small and medium sized enterprises. During the second half of 2012, the Issuer completed a pilot review of a sample of individual cases. On 31 January 2013, the FCA issued a report on the findings of the pilot, along with those conducted by a number of other banks. The report included a number of changes and clarifications to the requirements under which the main review and redress exercise should be conducted. The Issuer has agreed to conduct the exercise in line with the approach set out in this report and will commence shortly. Our current analysis suggests that there are approximately 4,000 private or retail classified customers to which interest rate hedging products were sold within the relevant timeframe, of which approximately 3,000 are likely to be categorised as non-sophisticated under the terms of the agreement.

As at 30 June 2012, a provision of £450 million was recognised, reflecting management's initial estimate of future redress to customers categorised as non-sophisticated and related costs. As at 31 December 2012, an additional provision of £400 million has been recognised, reflecting the results of the pilot review, an updated estimate of administrative costs and the greater clarity afforded by the implementation requirements agreed with the FCA. The provision recognised in the balance sheet as at 31 December 2012 is £814 million, after utilisation of £36 million during 2012, primarily related to administrative costs. During the first quarter of 2013 a further £55 million of the provision was utilised. The provision reflects the Issuer's best current estimate of the ultimate cost.

The pilot exercise provides the best currently available information upon which to base an estimate. However, the ultimate cost of the exercise will depend on the extent and nature of redress payable across the impacted population. This will be impacted by a number of factors, including:

- the number of customers for which the Issuer is deemed not to have complied with relevant regulatory requirements at the time of sale;
- the nature of any redress offered by the Issuer, in particular whether existing products are terminated or replaced with alternative products; and

- the level of reasonably foreseeable consequential loss payable.

The appropriate provision level will be kept under ongoing review as the main redress and review exercise progresses.

#### *Payment Protection Insurance Redress*

On 20 April 2011, the judicial review proceedings brought by the British Banker's Association in October 2010 against the FSA (as predecessor to the FCA) and the Financial Ombudsman Service regarding assessment and redress of payment protection insurance ("**PPI**") complaints were dismissed. On 9 May 2011, the Issuer announced that it would not be participating in any application for permission to appeal against the High Court judgment and that the Issuer had agreed with the FSA that it would process all on-hold and any new complaints from customers about PPI policies that they hold. The Issuer also announced that, as a goodwill gesture, it would pay out compensation to customers who had PPI complaints put on hold during the judicial review. The Issuer took a provision of £1 billion in the second quarter of 2011 to cover the cost of future redress and administration. On 26 April 2012, 18 October 2012 and 5 February 2013, following an increase in PPI complaint volumes, the Issuer announced that it had increased the provision by a further £300 million, £700 million and £600 million, respectively.

The Group will continue to monitor actual claims volumes and the assumptions underlying the calculation of its PPI provision. It is possible that the eventual costs may materially differ to the extent that experience is not in line with management estimates.

#### *FERC Investigation*

The United States Federal Energy Regulatory Commission (the "**FERC**") Office of Enforcement has been investigating the Group's power trading in the western US with respect to the period from late 2006 through 2008. On 31 October 2012, the FERC issued a public Order to Show Cause and Notice of Proposed Penalties ("**Order and Notice**") against the Issuer in relation to this matter. In the Order and Notice the FERC asserts that the Issuer violated the FERC's Anti-Manipulation Rule by manipulating the electricity markets in and around California from November 2006 to December 2008. The FERC is proposing that the Issuer pay a US\$ 435 million civil penalty and disgorge an additional US\$ 34.9 million of profits plus interest. The Issuer intends to vigorously defend this matter.

#### *Other Regulatory Investigations*

The FCA and the Serious Fraud Office are both investigating certain commercial agreements between the Issuer and Qatari interests and whether these may have related to the Issuer's capital raisings in June and November 2008. The FCA investigation involves four current and former senior employees, including Chris Lucas, Group Finance Director as well as the Issuer. The FCA enforcement investigation began in July 2012 and the Serious Fraud Office commenced its investigation in August 2012.

In October 2012 the Issuer was informed by the US Department of Justice and the US Securities and Exchange Commission that they had commenced an investigation into whether the Group's relationships with third parties who assist the Issuer to win or retain business are compliant with the United States Foreign Corrupt Practices Act.

The Issuer is co-operating with all the authorities fully. It is not possible to estimate the financial impact upon the Issuer should any adverse findings be made.

#### **Directors**

The Directors of the Issuer, each of whose business address is 1 Churchill Place, London E14 5HP, United Kingdom, their functions in relation to the Group and their principal outside activities (if any) of significance to the Group are as follows:

Name	Function(s) within the Group	Principal outside activities
Sir David Walker	Chairman	-
Antony Jenkins	Group Chief Executive	-

Chris Lucas	Group Finance Director	-
David Booth	Non-Executive Director	Director, East Ferry Investors Inc
Tim Breedon CBE	Non-Executive Director	Non-Executive Director, Ministry of Justice
Fulvio Conti	Non-Executive Director	Chief Executive Officer, Enel SpA; Director, AON Corporation; Independent Director, RCS MediaGroup S.p.A
Simon Fraser	Non-Executive Director	Non-Executive Director, Fidelity Japanese Values Plc and Fidelity European Values Plc; Chairman, Foreign & Colonial Investment Trust PLC; Chairman, Merchants Trust PLC; Non-Executive Director, Ashmore Group PLC
Reuben Jeffery III	Non-Executive Director	Senior Adviser, Center for Strategic & International Studies; Chief Executive Officer, Rockefeller & Co., Inc.
Dambisa Moyo	Non-Executive Director	Non-Executive Director, SABMiller plc; Non-Executive Director, Barrick Gold Corporation
Sir Michael Rake	Deputy Chairman and Senior Independent Director	Chairman, BT Group PLC; Director, McGraw-Hill Companies
Sir John Sunderland	Non-Executive Director	Chairman, Merlin Entertainments Group; Non-Executive Director, AFC Energy plc
Diane de Saint Victor	Non-Executive Director	General Counsel, Company Secretary and a member of the Group Executive Committee of ABB Limited

No potential conflicts of interest exist between any duties to the Issuer of the Directors listed above and their private interests or other duties.

### Employees

As at 31 December 2012, the total number of persons employed by the Group (full time equivalents) was 139,200 (2011: 141,100).

### Legal Proceedings

#### *Lehman Brothers*

On 15 September 2009, motions were filed in the United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Court**") by Lehman Brothers Holdings Inc. ("**LBHI**"), the SIPA Trustee for Lehman Brothers Inc. (the "**Trustee**") and the Official Committee of Unsecured Creditors of Lehman Brothers Holdings Inc. (the "**Committee**"). All three motions challenged certain aspects of the transaction pursuant to which Barclays Capital Inc. ("**BCI**") and other companies in the Group acquired most of the assets of Lehman Brothers Inc. ("**LBI**") in September 2008 and the court order approving such sale (the "**Sale**"). The claimants were seeking an order voiding the transfer of certain assets to BCI; requiring BCI to return to the LBI estate alleged excess value BCI received; and declaring that BCI is not entitled to certain assets that it claims pursuant to the sale documents and order approving the Sale (the "**Rule 60 Claims**"). On 16 November 2009, LBHI, the Trustee and the Committee filed separate complaints in the Bankruptcy Court asserting claims against BCI based on the same underlying allegations as the pending motions and seeking relief similar to that which is requested in the motions. On 29 January 2010, BCI filed its response to the motions and also filed a motion seeking delivery of certain assets that LBHI and LBI have failed to deliver as required by the sale documents and the court order approving the Sale (together with the Trustee's competing claims to those assets, the "**Contract Claims**"). Approximately US\$ 4.5 billion (£2.8 billion) of the assets

acquired as part of the acquisition had not been received by 31 December 2012, approximately US\$ 3.0 billion (£1.9 billion) of which were recognised as part of the accounting for the acquisition and are included in the balance sheet as at 31 December 2012. This results in an effective provision of US\$ 1.5 billion (£0.9 billion) against the uncertainty inherent in the litigation and issues relating to the recovery of certain assets held by institutions outside the United States.

On 22 February 2011, the Bankruptcy Court issued its Opinion in relation to these matters, rejecting the Rule 60 Claims and deciding some of the Contract Claims in the Trustee's favour and some in favour of BCI. On 15 July 2011, the Bankruptcy Court entered final Orders implementing its Opinion. BCI and the Trustee each appealed the Bankruptcy Court's adverse rulings on the Contract Claims to the United States District Court for the Southern District of New York (the "**District Court**"). LBHI and the Committee did not pursue an appeal from the Bankruptcy Court's ruling on the Rule 60 Claims. After briefing and argument, the District Court issued its Opinion on 5 June 2012 in which it reversed one of the Bankruptcy Court's rulings on the Contract Claims that had been adverse to BCI and affirmed the Bankruptcy Court's other rulings on the Contract Claims. On 17 July 2012, the District Court issued an amended Opinion, correcting certain errors but not otherwise affecting the rulings, and an agreed judgment implementing the rulings in the Opinion (the "**Judgment**"). BCI and the Trustee have each appealed the adverse rulings of the District Court to the United States Court of Appeals for the Second Circuit.

Under the Judgment, BCI is entitled to receive: (i) US\$ 1.1 billion (£0.7 billion) from the Trustee in respect of 'clearance box' assets; (ii) property held at various institutions to secure obligations under the exchange-traded derivatives transferred to BCI in the Sale (the "**ETD Margin**"), subject to the proviso that BCI will be entitled to receive US\$ 507 million (£0.3 billion) of the ETD Margin only if and to the extent the Trustee has assets available once the Trustee has satisfied all of LBI's customer claims; and (iii) US\$ 769 million (£0.5 billion) from the Trustee in respect of LBI's 15c3-3 reserve account assets only if and to the extent the Trustee has assets available once the Trustee has satisfied all of LBI's customer claims.

A portion of the ETD Margin which has not yet been recovered by BCI or the Trustee is held or owed by certain institutions outside the United States (including several Lehman affiliates that are subject to insolvency or similar proceedings). As at the date of this Base Prospectus, the Issuer cannot reliably estimate how much of the ETD Margin held or owed by such institutions BCI is ultimately likely to receive. Further, the Issuer cannot reliably estimate (as at the date of this Base Prospectus) if and to the extent the Trustee will have assets remaining available to it to pay BCI the US\$ 507 million (£0.3 billion) in respect of ETD Margin or the US\$ 769 million (£0.5 billion) in respect of LBI's 15c3-3 reserve account assets after satisfying all of LBI's customer claims. In this regard, the Trustee announced in October 2012 that if his proposed settlement agreements with LBHI and with the administrator for the liquidation of Lehman Brothers Inc. (Europe) are approved by the relevant courts, then the Trustee should be in position to satisfy all customer claims and make meaningful distributions to creditors (without having to use any of the assets that BCI claims). If the District Court's rulings were to be unaffected by future proceedings, conservatively assuming no recovery by BCI of any of the ETD Margin not yet recovered by BCI or the Trustee that is held or owed by institutions outside the United States and no recovery by BCI of the US\$ 507 million (£0.3 billion) in respect of ETD Margin or the US\$ 769 million (£0.5 billion) in respect of LBI's 15c3-3 reserve account assets, the Issuer estimates its loss would be approximately US\$ 0.9 billion (£0.5 billion). Under the same scenario, but assuming the Trustee's proposed settlement agreements with LBHI and the administrator for the liquidation of Lehman Brothers Inc. (Europe) are implemented, and result in the receipt by BCI of the US\$ 507 million ETD Margin and US\$ 769 million in respect of the 15c3-3 reserve account assets, the Issuer estimates its profit would be approximately US\$ 0.4 billion (£0.2 billion) plus the value of any recovery of the ETD Margin held or owed by institutions outside of the United States. In this context, the Issuer is satisfied with the valuation of the asset recognised on its balance sheet and the resulting level of effective provision.

#### *American Depositary Shares*

The Issuer, Barclays PLC and various current and former members of Barclays PLC's Board of Directors have been named as defendants in five proposed securities class actions (which have been consolidated) pending in the United States District Court for the Southern District of New York (the "**Court**"). The consolidated amended complaint, dated 12 February 2010, alleges that the registration statements relating to American Depositary Shares representing Preferred Stock, Series 2, 3, 4 and 5 (the "**ADS**") offered by the Issuer at various times between 2006 and 2008 contained misstatements and omissions concerning (amongst other things) the Issuer's portfolio of mortgage-related (including US subprime-related) securities, the Issuer's exposure to mortgage and credit market risk and the Issuer's financial condition. The consolidated amended complaint asserts claims under sections 11, 12(a)(2) and 15 of the Securities Act of 1933. On 5 January 2011,

the Court issued an order and, on 7 January 2011, judgment was entered, granting the defendants' motion to dismiss the complaint in its entirety and closing the case. On 4 February 2011, the plaintiffs filed a motion asking the Court to reconsider in part its dismissal order. On 31 May 2011, the Court denied in full the plaintiffs' motion for reconsideration. The plaintiffs have appealed both decisions (the grant of the defendants' motion to dismiss and the denial of the plaintiffs' motion for reconsideration) to the United States Court of Appeals for the Second Circuit. Oral argument was held on 18 October 2012.

The Issuer considers that these ADS-related claims against it are without merit and is defending them vigorously. As at the date of this Base Prospectus, it is not practicable to estimate the Issuer's possible loss in relation to these claims or any effect that they might have upon operating results in any particular financial period.

#### *US Federal Housing Finance Agency and Other Residential Mortgage-Backed Securities Litigation*

The US Federal Housing Finance Agency ("**FHFA**"), acting for two US government sponsored enterprises, Fannie Mae and Freddie Mac (collectively, the "**GSEs**"), filed lawsuits against 17 financial institutions in connection with the GSEs' purchases of residential mortgage-backed securities ("**RMBS**"). The lawsuits allege, amongst other things, that the RMBS offering materials contained materially false and misleading statements and/or omissions. The Issuer and/or certain of its affiliates or former employees are named in two of these lawsuits, relating to sales between 2005 and 2007 of RMBS, in which BCI was lead or co-lead underwriter.

Both complaints demand, amongst other things: rescission and recovery of the consideration paid for the RMBS; and recovery for the GSEs' alleged monetary losses arising out of their ownership of the RMBS. The complaints are similar to other civil actions filed against the Issuer and/or certain of its affiliates by other plaintiffs, including the Federal Home Loan Bank of Seattle, Federal Home Loan Bank of Boston, Federal Home Loan Bank of Chicago, Cambridge Place Investment Management, Inc., HSH Nordbank AG (and affiliates), Sealink Funding Limited, Landesbank Baden-Württemberg (and affiliates), Deutsche Zentral-Genossenschaftsbank AG (and affiliates) and Stichting Pensioenfonds ABP, Royal Park Investments SA/NV, Bayerische Landesbank, John Hancock Life Insurance Company (and affiliates), Prudential Life Insurance Company of America (and affiliates) and the National Credit Union Administration relating to purchases of RMBS. The Issuer considers that the claims against it are without merit and intends to defend them vigorously.

The original amount of RMBS related to the claims against the Issuer in the FHFA cases and the other civil actions against the Group totalled approximately US\$ 8.5 billion, of which approximately US\$ 2.7 billion was outstanding as at 31 December 2012. Cumulative losses reported on these RMBS as at 31 December 2012 were approximately US\$ 0.4 billion. If the Issuer were to lose these cases the Issuer believes it could incur a loss of up to the outstanding amount of the RMBS at the time of judgment (taking into account further principal payments after 31 December 2012), plus any cumulative losses on the RMBS at such time and any interest, fees and costs, less the market value of the RMBS at such time. The Issuer has estimated the total market value of the RMBS as at 31 December 2012 to be approximately US\$ 1.6 billion. The Issuer may be entitled to indemnification for a portion of any losses. These figures do not include two related class actions brought on behalf of a putative class of investors in RMBS issued by Countrywide and underwritten by BCI and other underwriters, in which the Issuer is indemnified by Countrywide.

#### *Devonshire Trust*

On 13 January 2009, the Issuer commenced an action in the Ontario Superior Court (the "**Ontario Court**") seeking an order that its early terminations earlier that day of two credit default swaps under an ISDA Master Agreement with the Devonshire Trust ("**Devonshire**"), an asset-backed commercial paper conduit trust, were valid. On the same day, Devonshire purported to terminate the swaps on the ground that the Issuer had failed to provide liquidity support to Devonshire's commercial paper when required to do so. On 7 September 2011, the Ontario Court ruled that the Issuer's early terminations were invalid, Devonshire's early terminations were valid and, consequently, Devonshire was entitled to receive back from the Issuer cash collateral of approximately C\$ 533 million together with accrued interest thereon. The Issuer is appealing the Ontario Court's decision. If the Ontario Court's decision were to be unaffected by future proceedings, the Issuer estimates that its loss would be approximately C\$ 500 million, less any impairment provisions taken by the Issuer for this matter.

*LIBOR Civil Actions*

The Issuer and other banks have been named as defendants in class action and non-class action lawsuits pending in United States Federal Courts in connection with their roles as contributor panel banks to US Dollar LIBOR, the first of which was filed on 15 April 2011. The complaints are substantially similar and allege, amongst other things, that the Issuer and the other banks individually and collectively violated various provisions of the Sherman Act, the US Commodity Exchange Act, the Racketeer Influenced and Corrupt Organizations Act ("**RICO**"), and various state laws by suppressing or otherwise manipulating US Dollar LIBOR rates. The lawsuits seek an unspecified amount of damages and trebling of damages under the Sherman and RICO Acts. The proposed class actions purport to be brought on behalf of (amongst others) plaintiffs that (i) engaged in US Dollar LIBOR-linked over-the-counter transactions; (ii) purchased US Dollar LIBOR-linked financial instruments on an exchange; (iii) purchased US Dollar LIBOR-linked debt securities; (iv) purchased adjustable-rate mortgages linked to US Dollar LIBOR; or (v) issued loans linked to US Dollar LIBOR.

An additional class action was commenced on 30 April 2012 in the United States District Court for the Southern District of New York (the "**District Court**") against the Issuer and other Japanese Yen LIBOR panel banks by plaintiffs involved in exchange-traded derivatives. The complaint also names members of the Japanese Bankers Association's Euroyen Tokyo Interbank Offered Rate ("**TIBOR**") panel, of which the Issuer is not a member. The complaint alleges, amongst other things, manipulation of the Euroyen TIBOR and Yen LIBOR rates and breaches of US antitrust laws between 2006 and 2010.

A further class action was commenced on 6 July 2012 in the District Court against the Issuer and other EURIBOR panel banks by plaintiffs that purchased or sold EURIBOR-related financial instruments. The complaint alleges, amongst other things, manipulation of the EURIBOR rate and breaches of the Sherman Act and the US Commodity Exchange Act beginning as early as 1 January 2005 and continuing through to 31 December 2009. On 23 August 2012, the plaintiffs voluntarily dismissed the complaint.

On 21 February 2013, a class action was commenced in the United States District Court for the Northern District of Illinois against the Issuer and other EURIBOR panel banks by plaintiffs that purchased or sold a NYSE LIFFE EURIBOR futures contract. The complaint alleges manipulation of the EURIBOR rate and violations of the Sherman Act beginning as early as 1 June 2005 and continuing through 30 June 2010.

In addition, the Issuer has been granted conditional leniency from the Antitrust Division of the DOJ in connection with potential US antitrust law violations with respect to financial instruments that reference EURIBOR.

The Issuer has also been named as a defendant along with four current and former officers and directors of the Issuer in a proposed securities class action pending in the District Court in connection with the Issuer's role as a contributor panel bank to LIBOR. The complaint principally alleges that the Issuer's Annual Reports for the years 2006 to 2011 contained misstatements and omissions concerning (amongst other things) the Issuer's compliance with its operational risk management processes and certain laws and regulations. The complaint also alleges that the Issuer's daily US Dollar LIBOR submissions themselves constituted false statements in violation of US Securities law.

The complaint is brought on behalf of a proposed class consisting of all persons or entities (other than the defendants) that purchased American Depository receipts sponsored by the Issuer on an American securities exchange between 10 July 2007 and 27 June 2012. The complaint asserts claims under sections 10(b) and 20(a) of the US Securities Exchange Act 1934.

It is not practicable to provide an estimate of the financial impact of the potential exposure of any of the actions described or what effect, if any, that they might have upon operating results, cash flows or the Issuer's or Group's financial position in any particular period.

*Other*

Barclays PLC, the Issuer and the Group are engaged in various other legal proceedings both in the United Kingdom and a number of overseas jurisdictions, including the United States, involving claims by and against it which arise in the ordinary course of business, including debt collection, consumer claims and contractual disputes. The Issuer does not expect the ultimate resolution of any of these proceedings to which the Group is party to have a material adverse effect on its results of operations, cash flows or the financial



position of the Group and the Issuer has not disclosed the contingent liabilities associated with these claims either because they cannot reliably be estimated or because such disclosure could be prejudicial to the conduct of the claims. Provisions have been recognised for those cases where the Issuer is able reliably to estimate the probable loss where the probable loss is not *de minimis*.

#### **Significant Change Statement**

There has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2012.

#### **Material Adverse Change Statement**

There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2012.

#### **Legal Proceedings**

Save as disclosed under '*The Issuer and the Group — Competition and Regulatory Matters*' (on pages 49 to 52 of this Base Prospectus under the headings '*London Interbank Offered Rate*', '*Payment Protection Insurance Redress*', '*Interest Rate Hedging Product Redress*', '*Other*', '*FERC Investigation*' and '*Other Regulatory Investigations*') and '*The Issuer and the Group — Legal Proceedings*' (on pages 53 to 57 of this Base Prospectus under the headings '*Lehman Brothers*', '*American Depositary Shares*', '*US Federal Housing Finance Agency and other residential mortgage-backed securities litigation*', '*Devonshire Trust*' and '*LIBOR Civil Actions*'), there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have or have had during the 12 months preceding the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer and/or the Group.

#### **Auditors**

The annual consolidated and unconsolidated financial statements of the Issuer for the two years ended 31 December 2011 and 31 December 2012 have been audited without qualification by PricewaterhouseCoopers of Southwark Towers, 32 London Bridge Street, London SE1 9SY, chartered accountants and registered auditors (authorised and regulated by the FCA for designated investment business).

#### **Related Parties**

In the ordinary course of business, the Issuer participates in transactions with parent and fellow subsidiary companies.

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## TERMS AND CONDITIONS OF THE SECURITIES

*The following text comprises the terms and conditions of the Securities (the "**General Conditions**") that, subject to completion or election in the Final Terms (together, the "**Conditions**") shall be applicable to each Series of Securities.*

*The Final Terms will indicate the "Type of Security" applicable to the Securities, which will determine whether the specified early redemption feature applies and, the circumstances in which an investor may require the Issuer to redeem all or some of its Securities, in accordance with the relevant sub-paragraph of Condition 5 (Specified Early Redemption, Call Option and Put Option).*

*All capitalised terms that are not defined in these General Conditions have the meanings given to them in the Final Terms.*

*References in these General Conditions to "Securities" are to the Securities of one Series only, not to all Securities that may be issued under the Programme.*

*Any reference in these General Conditions to "the Final Terms" shall be understood to be a reference to "the Final Terms and/or Drawdown Prospectus, as applicable".*

### A. INTRODUCTION

The Securities are issued as a Series of certificates by the Issuer and references to "**Securities**" shall be construed as a reference to each Series accordingly. Securities are issued pursuant to the Agency Agreement dated 18 April 2013 (as further amended and/or supplemented and/or restated as at the relevant Issue Date, the "**Agency Agreement**") have the benefit of a Deed of Covenant dated 18 April 2013 (as further amended and/or supplemented and/or restated as at the relevant Issue Date, the "**Deed of Covenant**") executed by the Issuer. Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the registered office of the Issuer, the Issue and Paying Agent and the specified offices of the Paying Agents, the Transfer Agents and the Registrar.

The determination agent, the issue and paying agent, the registrar, the registration agent, the local paying agents and the local transfer agents are referred to respectively as the "**Determination Agent**", the "**Issue and Paying Agent**", the "**Registrar**", the "**Registration Agent**", the "**Paying Agents**" and the "**Transfer Agents**" (together the "**Agents**"). The Issue and Paying Agent shall be either The Bank of New York Mellon, London Branch of One Canada Place, London E14 5AL or such other entity as may be specified in the Final Terms. Each of the other Agents shall be as specified below or in the Final Terms.

Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche will be identical to the terms of other Tranches of the same Series (save in respect of the Issue Date, Issue Price and aggregate number of Securities comprising the Tranche) and will be set out in the Final Terms.

Capitalised terms used in the Conditions have the meanings given in General Condition 29 (*Definitions and Interpretation*).

### B. FORM, TITLE, TRANSFER, CALCULATIONS, PAYMENTS AND SETTLEMENT

#### 1. Form, Title and Transfer

##### 1.1 Form of Securities

##### (a) Form of Securities (other than Dutch Securities and French Cleared Securities).

Securities will be issued in bearer form ("**Bearer Securities**") or in registered form ("**Registered Securities**") as specified in the Final Terms. Securities in one form may not be exchanged for Securities in any other form except as provided below.

Bearer Securities will initially be issued in global form ("**Global Bearer Securities**") and may only be exchanged for Securities in definitive form ("**Definitive Bearer Securities**") if specified in the Final Terms or upon an Exchange Event occurring and in each case in accordance with the terms of

the relevant Global Security. Registered Securities may initially be issued in global form ("**Global Registered Securities**") and together with Global Bearer Securities, "**Global Securities**") if specified in the Final Terms, which may only be exchanged for Securities in definitive form ("**Definitive Registered Securities**") and together with Definitive Bearer Securities, "**Definitive Securities**"), if specified in the Final Terms, or upon an Exchange Event occurring, and in each case in accordance with the terms of the relevant Global Registered Security. Registered Securities may initially be issued as Definitive Registered Securities if specified in the Final Terms. The Issuer will promptly give notice to Holders if an Exchange Event occurs.

(b) **Form of Dutch Securities**

Notwithstanding paragraph (a) above, Dutch Securities will be in the form of Global Registered Securities which will be delivered to, registered in the name of, and settled through the Euroclear Netherland. The rights of holders of (beneficial interests in) the Dutch Securities will be exercised in accordance with the Wge, as amended from time to time. Dutch Securities will not be exchangeable for Definitive Registered Securities and holders of beneficial interests in Dutch Securities shall not have the right to request delivery (uitlevering) of Definitive Registered Securities except in the limited circumstances described in the Wge (as amended from time to time).

The following legend will appear on all Global Registered Securities held in Euroclear Netherlands:

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

(c) **Form of French Cleared Securities**

French Cleared Securities are issued in bearer form and the Global Security will be deposited on or prior to the original issue date of the Tranche with Euroclear France as central depository and in CGN form.

Upon the initial deposit of such Global Security with Euroclear France and payment of the relevant amount in respect of the subscribed Securities, the relevant number of Securities will be credited to the account of Accountholders who have purchased the Securities and/or to the account of the Accountholder designated by the relevant purchaser(s). In respect of French Cleared Securities represented by a Global Security, the records of Euroclear France shall be conclusive evidence of the number of Securities, and a statement issued by Euroclear France at any time shall be conclusive evidence of the records of Euroclear France at that time.

(d) **Initial Issue of Global Securities**

If "NGN Form" is specified in the Final Terms as applicable with respect to a Global Bearer Security or the Final Terms specifies that a Global Registered Security is to be held under the New Safekeeping Structure ("**NSS**") ("**NGN Form**"), such Global Bearer Security or Global Registered Security will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (a "**Common Safekeeper**"). The aggregate number of Securities represented by the Global Security shall be that which is from time to time entered in the records of the Relevant Clearing System. Securities that are held in NGN Form are intended to be held in a manner which would allow Eurosystem eligibility but such recognition will depend upon the satisfaction of the Eurosystem eligibility criteria.

If "CGN Form" is specified in the Final Terms as applicable ("**CGN Form**"), the Global Security may be delivered on or prior to the original issue date of the Tranche to a Common Depository for the Relevant Clearing System (and, in the case of Registered Securities, registered in the name of any nominee for the Relevant Clearing System). The Relevant Clearing System will then credit each subscriber with a number of Securities equal to the number thereof for which it has subscribed and paid.

## 1.2 Exchange of Securities

### (a) Exchange of Global Securities (other than French Cleared Securities)

Each Series of Bearer Securities issued in compliance with the D Rules will be initially issued in the form of a temporary global security in bearer form (a "**Temporary Global Security**") and will be exchangeable for a permanent bearer global security (a "**Permanent Global Security**"), free of charge, on and after its Exchange Date, upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement.

Each Series of Bearer Securities issued in compliance with the C Rules or in respect of which TEFRA does not apply will be initially issued in the form of a Permanent Global Security.

Upon the occurrence of an Exchange Event on or after its Exchange Date each Permanent Global Security will be exchangeable, in whole but not in part, free of charge, for Definitive Securities. Temporary Global Securities will not be exchangeable for Definitive Securities.

If the Global Security is in CGN Form, on or after any due date for exchange, the Holder may surrender it or, in the case of a partial exchange, present it for endorsement to or to the order of the Issue and Paying Agent and in exchange the Issuer will deliver, or procure the delivery of (i) in the case of a Temporary Global Security, a Permanent Global Security representing an aggregate number of Securities equal to the number of Securities represented by the Temporary Global Security that is being exchanged, or (ii) in the case of a Permanent Global Security exchangeable for Definitive Securities, an equal aggregate number of duly executed and authenticated Definitive Securities.

If the Global Security is in NGN Form, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the Relevant Clearing System. On exchange in full of each Permanent Global Security, the Issuer will, if the Holder so requests, procure that it is cancelled and returned to the Holder together with the relevant Definitive Securities.

### (b) Exchange of French Cleared Securities

In respect of French Cleared Securities, each Series of French Cleared Securities will be initially issued in the form of a Temporary Global Security and will be exchangeable, free of charge to the Holder, on and after its Exchange Date in whole or in part upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Security.

## 1.3 Number

The Final Terms in respect of Securities will specify the Settlement Currency of such Securities, the Issue Price per Security, the number of Securities being issued and the Type of Security. All Registered Securities and French Cleared Securities of a Series on the original Issue Date shall have the same Issue Price.

## 1.4 Title

### (a) Title to Securities (other than Dutch Securities)

Title to Bearer Securities passes by delivery and title to Registered Securities passes by registration in the Register that the Issuer shall procure is kept by the Registrar in accordance with the provisions of the Agency Agreement.

The Issuer and the relevant Agents shall (except as otherwise required by law or ordered by a court of competent jurisdiction) deem and treat the Holder (as defined below) of any Bearer Security or Registered Security as its absolute owner for all purposes (whether or not such Security is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it (or on the Global Security representing it) or its theft or loss) and no person shall be liable for so treating the Holder.

In these General Conditions "**Holder**", except in respect of Dutch Securities, means the bearer of any Bearer Security or the person in whose name a Registered Security is registered. In respect of

any Global Securities, the person appearing as the accountholder for the Relevant Clearing System (the "**Accountholder**") shall be treated as the Holder for all purposes other than with respect to the payment of any amount due under the Securities (for which purpose the Common Depositary or Common Safekeeper, as the case may be, shall be treated by the Issuer and any Agent as the relevant Holder).

(b) **Title to Dutch Securities**

Except as otherwise ordered by a court of competent jurisdiction or as otherwise required by law, each person (other than Euroclear Netherlands itself) who is for the time being shown in the records of Euroclear Netherlands or a participant (*aangesloten instelling*) within the meaning of the Wge as the holder of a particular nominal amount of Dutch Securities represented by the relevant Global Registered Security (in which regard any certificate or other document issued by Euroclear Netherlands or such participant as to the nominal amount of Dutch Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the relevant Agents as the holder of such nominal amount of such Dutch Securities for all purposes other than with respect to the payment of principal or interest or deliveries on the Dutch Securities and the deposit or surrender of such Dutch Securities required in connection with any payment, redemption or exercise of any option or election under such Dutch Securities, for which purpose the registered holder of the relevant Global Registered Security shall be treated by the Issuer and any Agent as the holder of such Dutch Security in accordance with and subject to the terms of the relevant Global Registered Security (and the expressions Holder and holder of such Global Registered Security and related expressions shall be construed accordingly).

1.5 **Transfers**

(a) **Transfers of Cleared Securities (other than Dutch Securities)**

Subject to paragraph (d) (*Minimum Tradable Amount*) below, transfers of Securities which are held in a Relevant Clearing System may be effected only through the Relevant Clearing System in which the Securities to be transferred are held and only in accordance with the Relevant Rules. Title will pass upon registration of the transfer in the books of Euroclear, Clearstream Luxembourg or the Euroclear France Accountholder, as the case may be.

(b) **Transfers of Dutch Securities**

Dutch Securities, including interests in a Global Registered Security, will be transferable only in accordance with the provisions of the Wge and the rules and procedures for the time being applicable to and/or issued by Euroclear Netherlands.

(c) **Transfers of Non-cleared Securities**

(i) **Non-cleared Bearer Securities**

Non-cleared Bearer Securities will be transferred by delivery.

(ii) **Non-cleared Registered Securities**

Non-cleared Registered Securities may be transferred only through the Register by delivery in writing to the Registrar or any Transfer Agent of (i) the relevant Definitive Registered Security or Global Registered Security representing such Registered Securities to be transferred, (ii) the duly completed form of transfer, or notice of redemption and surrender and (iii) any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Securities, a new Definitive Registered Security shall be issued to the transferee in respect of the part transferred and a further new Definitive Registered Security or Global Registered Security in respect of the balance of the holding not transferred shall be issued to the transferor. Transfers of part only of a holding of Registered Securities represented by a non-cleared Global Registered Security may only be made in part (i) if an Exchange Event occurs; or (ii) with the consent of the Issuer, provided that, the registered Holder has given the Registrar not less than 10 Business Days' notice at its specified office of the registered Holder's intention to effect such transfer. All transfers of Securities and entries on the Register will be made subject to the detailed

regulations concerning transfers of Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and each Holder. A copy of the current regulations will be made available by the Registrar to any Holder upon request.

Transfers of Registered Securities will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any Taxes that may be imposed in relation to it (or the giving of an indemnity as the Issuer, Registrar or the relevant Transfer Agent may require).

(d) **Registered Security Closed Periods**

No Holder may require the transfer of a Definitive Registered Security (i) during the period of 15 calendar days ending on the due date for redemption or exercise, or any date on which the Securities may be called for redemption by the Issuer at its option pursuant to General Condition 5.1(a) (*Redemption of Open-ended Mini Securities - Specified Early Redemption*) or General Condition 5.2(a) (*Redemption of Open-ended Turbo Securities - Specified Early Redemption*), (ii) on any day after the date of any Option Exercise Notice delivered by such Holder in respect of such Definitive Registered Security, (iii) after any such Security has been called for redemption or has been exercised or (iv) during the period of seven calendar days ending on (and including) any Record Date.

(e) **Minimum Tradable Amount**

Transactions in the Securities may, if specified in the Final Terms, be subject to a Minimum Tradable Amount, in which case such Securities will be transferable only in a number of not less than such Minimum Tradable Amount and, in the case of Cleared Securities, in accordance with the Relevant Rules.

2. **Status**

The Securities constitute direct, unsecured and unsubordinated obligations of the Issuer and rank equally among themselves. The payment obligations of the Issuer under the Securities will rank equally with all other present and future unsecured and unsubordinated obligations of the Issuer (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application). The Securities do not evidence deposits of the Issuer. The Securities are not insured or guaranteed by any government or government agency.

3. **Calculations and Publication**

3.1 **Rounding**

For the purposes of any calculations required pursuant to the Conditions unless otherwise specified, 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), save in the case of Japanese yen, which shall be rounded down to the nearest Japanese yen. For these purposes, "**Unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

3.2 **Determination and Publication of amounts in respect of Settlement**

As soon as practicable on such date as the Issue and Paying Agent or, as applicable, the Determination Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation in respect of or in connection with any Security, such Agent shall determine such rate and calculate any Settlement Amount or any other relevant amount with respect to Settlement, obtain any required quotation or make such determination or calculation, as the case may be, and cause the relevant payment amount to be notified to the Issuer, each of the Paying Agents, the Holders, any other Agent in respect of the Securities that is to make a payment or further calculation or determination upon receipt of such information and, if the Securities are listed and the rules of the relevant stock exchange or other relevant authority so require, such exchange or relevant authority as soon as possible after their determination but in no event later than the fourth Business Day following such determination.



### 3.3 **Calculations in respect of Securities**

Notwithstanding anything to the contrary in the Conditions or the Agency Agreement each calculation of an amount payable in cash in respect of each Security shall be based on the aggregate number of all such Securities outstanding on such date (or the relevant affected portion thereof) rounded in accordance with the method provided in General Condition 3.1 (*Rounding*) above and distributed in accordance with the Relevant Rules.

### 3.4 **Business Day Convention**

If any date specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day and where in each case the Business Day Convention is specified in the Final Terms to be:

- (i) "**Following**", such date shall be postponed to the next day that is a Business Day;
- (ii) "**Modified Following**", such date shall be postponed to the next day that is a Business Day unless it would fall in the next calendar month, in which case such date shall be brought forward to the immediately preceding Business Day;
- (iii) "**Nearest**", such date shall be brought forward to the first preceding day that is a Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and shall be postponed to the first following day that is a Business Day if the relevant date otherwise falls on a Sunday or a Monday; or
- (iv) "**Preceding**", such date shall be brought forward to the immediately preceding Business Day.

### 3.5 **Currency**

Where the prices for an Underlying Asset are quoted in a currency other than the Settlement Currency, the Determination Agent shall use the Exchange Rate to convert such prices into the Settlement Currency, at such time or times and on such dates as the Determination Agent deems appropriate.

## 4. **Payments**

### 4.1 **Payments in respect of Definitive Bearer Securities**

Any Definitive Bearer Security payments of any cash amounts will be made against and subject to the presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Bearer Security at the specified office of any Paying Agent outside the United States, by a cheque drawn in the currency in which payment is due, or by transfer to an account with an Account Bank denominated in such currency, as applicable.

Notwithstanding the foregoing, payments may be made in United States dollars at the specified office of any Paying Agent in New York City if (i) the Issuer has appointed Paying Agents with offices outside of the United States with the reasonable expectation that such Paying Agents would be able to make payment in United States dollars, (ii) payment in full of such amounts in United States dollars at the offices of such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law, without involving, in the determination of the Issuer, any adverse tax consequences to the Issuer.

### 4.2 **Payments in respect of Definitive Registered Securities**

Payments in respect of each Definitive Registered Security will be made against and subject to the condition to settlement, presentation and surrender of the relevant Definitive Registered Security at the specified office of the Registrar or any of the Transfer Agents and in the manner provided in the immediately following paragraph below.

#### 4.3 **Payments in respect of Global Securities**

##### (a) **Global Bearer Securities**

No payment falling due after the Exchange Date will be made on any Global Bearer Securities unless exchange for an interest in a Permanent Global Security or for Definitive Bearer Securities is improperly withheld or refused. Payments on any Temporary Global Security issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement.

##### (b) **CGNs**

All payments in respect of Bearer Securities in CGN Form will be made against and subject to presentation for endorsement and, if no further payment falls to be made in respect of the Global Bearer Securities, surrender of that Global Bearer Security to or to the order of the Issue and Paying Agent or such other Paying Agent as shall have been notified to the Holders for such purpose.

##### (c) **NGNs and Global Securities held under NSS**

If a Global Bearer Security is a Cleared Security in NGN Form or a Global Registered Security is a Cleared Security held under the NSS, the Issuer shall procure that details of each such payment shall be entered in the records of the Relevant Clearing System. Payments in respect of Securities in NGN Form will be made to its Holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the Relevant Clearing System shall not affect such discharge.

##### (d) **Global Registered Securities that are Cleared Securities**

All payments in respect of Cleared Securities that are represented by a Global Registered Security will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Record Date.

##### (e) **Relationship of Accountholders and Relevant Clearing Systems**

Each of the persons shown in the records of the Relevant Clearing System as the Holder must look solely to the Relevant Clearing System for his share of each payment made by the Issuer to the bearer of such Global Bearer Security or the Holder of the underlying Registered Securities. The obligations of the Issuer will be discharged by payment to the bearer of such Global Bearer Security or the Holder of the underlying Registered Security, as the case may be, in respect of each amount so paid.

##### (f) **Exercise of Options or Partial Cancellation in Respect of Registered Securities**

In the case of an exercise of an Issuer's or Holder's option in respect of, or a partial cancellation of, a holding of Registered Securities represented by a single Definitive Registered Security or Global Registered Security, as the case may be, a new Definitive Registered Security shall be issued to the Holder to reflect the exercise of such option or in respect of the balance of the holding not cancelled. In the case of a partial exercise of an option resulting in Registered Securities of the same holding having different terms, a separate Definitive Registered Security or Global Registered Security shall be issued in respect of those Registered Securities of that holding that have the same terms. New Definitive Registered Securities shall only be issued against surrender of the relevant existing Definitive Registered Security or Global Registered Security to the Registrar or any Transfer Agent. In the case of a transfer of Registered Securities to a person who is already a Holder of Registered Securities, a new Definitive Registered Security representing the enlarged holding shall only be issued against surrender of the Definitive Registered Security or Global Registered Security representing the existing holding.

#### 4.4 **Payments in respect of Dutch Securities**

Payments on or in respect of the Securities to the holders of Securities will be effected through admitted institutions (*aangesloten instellingen*) of Euroclear Netherlands, in accordance with the Relevant Rules. The Issuer shall deposit or cause to be deposited the funds intended for payment on

the Securities in an account of Euroclear Netherlands. The Issuer will by such deposit be discharged of its obligations towards the holders of Securities. No person other than the holder of the Global Registered Security shall have any claim against the Issuer in respect of any payments due on that Global Registered Security. Euroclear Netherlands will be discharged of its obligation to pay by paying the relevant funds to the admitted institutions of Euroclear Netherlands which according to Euroclear Netherlands' record hold a share in the girodepot with respect to such Securities, the relevant payment to be made in proportion to the share in such girodepot held by each of such admitted institution of Euroclear Netherlands.

#### 4.5 **Taxes, Settlement Expenses and Conditions to Settlement**

Payment of any Settlement Amount in connection with the redemption of Securities shall be subject to deduction, or conditional upon payment by the relevant Holder(s), of any applicable Taxes and Settlement Expenses and any other amounts payable as specified in the Conditions. The Issuer shall notify the Holder(s) of (a) such applicable Taxes, Settlement Expenses and other amounts payable and (b) the manner in which such amounts shall be paid by the Holder(s).

#### 4.6 **Payments on Business Days**

Subject to the application of any Business Day Convention, if the date on which any amount is payable is not (i) a Business Day and (ii) in the case of Definitive Securities only, a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation, then payment will not be made until the next succeeding day which is (i) a Business Day and (ii) in the case of Definitive Securities only, also a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation, and the Holder thereof shall not be entitled to any further payment in respect of such delay.

### C. **SPECIFIED EARLY REDEMPTION, CALL OPTION AND PUT OPTION**

#### 5. **Redemption**

##### 5.1 **Redemption of Open-ended Mini Securities**

This General Condition 5.1 applies to Securities with respect to which the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)", or "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)". Capitalised terms used in General Condition 5.1(a), General Condition 5.1(b) and General Condition 5.1(c) have the meanings given to them in General Condition 5.1(d).

##### (a) **Specified Early Redemption**

If the Issuer determines that the market price of the Underlying Asset at any time on any day from, and including, the Stop Loss Observation Start Date is equal to or lower than (where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)"), or equal to or higher than (where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)"), the Current Stop Loss Level, a Specified Early Redemption Event will occur (such event, a "**Specified Early Redemption Event**") and the Issuer shall notify each Holder in accordance with General Condition 21 (*Notices*) and shall redeem all of the Securities (in whole only) at a cash amount in the Settlement Currency equal to the Specified Early Cash Settlement Amount on the Specified Early Cash Redemption Date.

##### (b) **Call Option**

The Issuer may give irrevocable notice on any Scheduled Trading Day from and including the Issue Date to redeem all Securities (such notice, an "**Issuer Call Notice**"). The Issuer Call Notice will set out the Issuer Call Exercise Date and, following exercise of the call option, the Issuer will pay an

amount equal to the Optional Cash Redemption Amount to the holder of each Security on the relevant Optional Cash Redemption Date.

(c) **Put Option**

(i) ***Annual Put Option***

A Holder may, on any Business Day during the Put Option Notice Period, give an irrevocable notice (an "**Option Exercise Notice**") to the Issuer requiring the redemption of some or all of its Securities. Following delivery of such Option Exercise Notice, the put option will be exercised on the Securityholder Put Exercise Date and the Issuer will pay to the relevant Holder, in respect of each redeeming Security, an amount equal to the Optional Cash Redemption Amount on the relevant Optional Cash Redemption Date.

(ii) ***Put Option following adjustment to Maximum Current Margin***

The Issuer may, by giving not less than 10 Business Day's written notice to the Determination Agent and the Holders (an "**Adjustment Notice – Maximum Current Margin**"), adjust the Maximum Current Margin if, at any time, it determines that the market costs associated with hedging the Securities have materially increased as compared to the corresponding market costs as of either the Issue Date, or the date on which the Maximum Current Margin was most recently adjusted.

The Adjustment Notice - Maximum Current Margin shall set out the details of the adjustment, the effective date of the adjustment (the "**Adjustment Effective Date**") and the Put Option Notice Period and Securityholder Put Exercise Date in respect of the relevant Put Option. For the avoidance of doubt, the Adjustment Effective Date will be no earlier than the first Business Day following the Securityholder Put Exercise Date.

Following the receipt of an Adjustment Notice - Maximum Current Margin, a Holder may, on any Business Day during the Put Option Notice Period, give an irrevocable notice (an "**Option Exercise Notice**") to the Issuer requiring the redemption of some or all of its Securities on the Securityholder Put Exercise Date. Following receipt of such Option Exercise Notice from the Holder, the Issuer will pay to the relevant Holder, in respect of each redeeming Security, an amount equal to the Optional Cash Redemption Amount on the relevant Optional Cash Redemption Date.

(iii) ***Put Option following adjustment to Maximum Stop Loss Premium***

The Issuer may, by giving not less than 10 Business Day's written notice to the Determination Agent and the Holders (an "**Adjustment Notice – Maximum Stop Loss Premium**"), adjust the Maximum Stop Loss Premium.

The Adjustment Notice - Maximum Stop Loss Premium shall set out the details of the adjustment, the effective date of the adjustment (the "Adjustment Effective Date") and the Put Option Notice Period and Securityholder Put Exercise Date in respect of the relevant Put Option. For the avoidance of doubt, the Adjustment Effective Date will be no earlier than the first Business Day following the Securityholder Put Exercise Date.

Following the receipt of an Adjustment Notice - Maximum Stop Loss Premium, a Holder may, on any Business Day during the Put Option Notice Period, give an irrevocable notice (an "Option Exercise Notice") to the Issuer requiring the redemption of some or all of its Securities on the Securityholder Put Exercise Date. Following receipt of such Option Exercise Notice from the Holder, the Issuer will pay to the relevant Holder, in respect of each redeeming Security, an amount equal to the Optional Cash Redemption Amount on the relevant Optional Cash Redemption Date.

(d) **Relevant Defined Terms**

For the purposes of this General Condition 5.1 the following terms shall have the following meanings (and to the extent not defined below, shall have the meaning set out in Condition 29.1 (*Definitions*)):

**"Adjustment Notice"** means an Adjustment Notice – Maximum Current Margin or an Adjustment Notice – Maximum Stop Loss Premium.

**"Applicable Dividend Amount"** means either:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)", in respect of any calendar day, an amount in the Financing Level Currency determined by the Issuer as that amount which would be received by the Issuer as if it were the holder of record of (a) if the Underlying Asset is a Share, such share, or (b) if the Underlying Asset is an Index, the share comprised in the Index during the Calculation Period which is subject to a dividend, (net of any deductions, withholdings or other amounts required by any applicable law or regulation, including any applicable taxes, duties or charges of any kind whatsoever), regardless of whether the Issuer actually holds the shares or not, multiplied by the Dividend Participation; or
- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)", in respect of any calendar day, an amount in the Financing Level Currency determined by the Issuer as that amount which would be received by the Issuer as if it were the holder of record of (a) if the Underlying Asset is a Share, such share, or (b) if the Underlying Asset is an Index, the share comprised in the Index during the Calculation Period which is subject to a dividend, (disregarding any deductions, withholdings or other amounts required by any applicable law or regulation, including any applicable taxes, duties or charges of any kind whatsoever), multiplied by the Dividend Participation.

**"Calculation Period"** means each period from, and excluding, one Reset Date (or, in the case of the first period, the Issue Date) to, and including, the immediately following Reset Date.

**"CFL<sub>C</sub>"** means the Current Financing Level in respect of calendar day "c".

**"CFL<sub>V</sub>"** means the Current Financing Level in respect of the relevant Valuation Date.

**"CFL<sub>R</sub>"** means the Current Financing Level in respect of the immediately preceding Reset Date.

**"CM<sub>C</sub>"** means the Current Margin applicable in respect of the Calculation Period in which calendar day "c" falls.

**"Current Financing Level"** means, in respect of the Issue Date, the Initial Financing Level and in respect of any subsequent calendar day, an amount determined by the Issuer equal to:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)":
  - (a) if "Dividends" are specified as being "applicable" in the applicable Final Terms:
 
$$(CFL_R + FC_C - DIV_C);$$
  - (b) if "Dividends" are specified as being "not applicable" in the applicable Final Terms:
 
$$(CFL_R + FC_C);$$
- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Quanto)" or "Open-ended Mini Short (Quanto)":
  - (a) if "Dividends" are specified as being "applicable" in the applicable Final Terms:
 
$$(CFL_R + QHC_C + FC_C - DIV_C);$$
 or
  - (b) if "Dividends" are specified as being "not applicable" in the applicable Final Terms:

$$(CFL_R + QHC_C + FC_C).$$

**"Current Margin"** means in respect of the Issue Date, the Initial Current Margin and in respect of any subsequent calendar day, an amount determined by the Issuer having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Issuer determines appropriate in its sole discretion and in respect of any Calculation Period may be reset on each Reset Date, at the discretion of the Issuer, subject to it not exceeding the Maximum Current Margin.

**"Current Stop Loss Level"** means in respect of the Issue Date, the Initial Stop Loss Level and in respect of any subsequent calendar day, a level determined by the Issuer, acting in its sole discretion, and reset on either (i) the first Business Day of each week, or (ii) each calendar day, and shall be set equal to:

- (a) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)":

$$(CFL_C + SLP_C)$$

- (b) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)":

$$(CFL_C - SLP_C)$$

The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention.

**"Current Stop Loss Premium"** means in respect of the Issue Date, Initial Stop Loss Premium and in respect of any subsequent calendar day, an amount in the Financing Level Currency selected at the discretion of the Issuer on each Reset Date, with reference to prevailing market conditions (including, but not limited to, market volatility). For the avoidance of doubt, the Current Stop Loss Premium shall at all times be set at, or above, the Minimum Stop Loss Premium, and at, or below, the Maximum Stop Loss Premium.

**"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, the relevant calendar day.

**"DIV<sub>C</sub>"** is the Applicable Dividend Amount in respect of calendar day "c".

**"Dividend Participation"** means, if "Dividends" are specified as being "applicable" in the applicable Final Terms, the percentage specified in the applicable Final Terms.

**"Exchange Rate"** means:

- (a) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Short (Currency Translated)", the prevailing exchange rate expressed as the number of units of the Underlying Asset Currency equivalent to one unit of the Issue Currency, determined by the Determination Agent in its sole discretion on the relevant Valuation Date; or
- (b) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Quanto)" or "Open-ended Mini Short (Quanto)", a rate equal to one unit of the Underlying Asset Currency per one unit of the Issue Currency.

**"FC<sub>C</sub>"** means the Funding Cost in respect of calendar day "c".

**"Financing Level Currency"** means the currency specified as such in the applicable Final Terms.

**"FL<sub>1</sub>"** means the Initial Financing Level.

**"FR<sub>C</sub>"** means the Funding Rate in respect of calendar day "c".

**"Funding Cost"** means in respect of any calendar day, an amount determined by the Issuer in its sole discretion equal to:

$$FR_C \times CFL_R \times d/365$$

**"Funding Rate"** means in respect of any calendar day, an amount determined by the Issuer in its sole discretion equal to:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)":

$$(R_C + CM_C); \text{ or}$$

- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)":

$$(R_C - CM_C).$$

**"FX<sub>V</sub>"** means, if applicable, the Exchange Rate in respect of the relevant Valuation Date.

**"Initial Current Margin"** means the percentage specified as such in the applicable Final Terms.

**"Initial Financing Level"** means the currency amount specified as such in the applicable Final Terms.

**"Initial Quanto Hedging Charge Level"** means a per annum rate specified in the applicable Final Terms.

**"Initial Stop Loss Level"** means the amount specified in the Final Terms which shall be an amount in the Underlying Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention.

**"Initial Stop Loss Premium"** means an amount determined by the Issuer equal to:

$$\text{Initial Stop Loss Premium Percentage} \times FL_1$$

**"Initial Stop Loss Premium Percentage"** means the percentage specified in the applicable Final Terms.

**"Issuer Call Notice Date"** means the date upon which the Issuer gives notice to call the Securities.

**"Issuer Call Exercise Date"** means the date upon which the call is to occur, which will be the later of:

- (i) the fifth Business Day following the Issuer Call Notice Date, or if such day is not a Scheduled Trading Day, the Scheduled Trading Day following such day; or
- (ii) the date specified in the Issuer Call Notice.

**"Maximum Current Margin"** means the percentage specified as such in the applicable Final Terms, subject to the Issuer's right of adjustment set out in General Condition 5.1(c)(ii) above.

**"Maximum Stop Loss Premium"** means an amount equal to:

$$\text{Maximum Stop Loss Premium Percentage} \times CFL_C,$$

subject to the Issuer's right of adjustment set out in General Condition 5.1(c)(iii) above.

**"Maximum Stop Loss Premium Percentage"** means the percentage specified in the applicable Final Terms

**"Minimum Stop Loss Premium"** means an amount equal to:

Minimum Stop Loss Premium Percentage  $\times$  CFL<sub>C</sub>

**"Minimum Stop Loss Premium Percentage"** means the percentage specified in the applicable Final Terms.

**"Optional Cash Redemption Amount"** means an amount in the Settlement Currency in the Settlement Currency determined by the Determination Agent on the relevant Valuation Date in accordance with the provisions below:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)":

$\text{Max}(0, U_V - \text{CFL}_V) \times \text{Security Ratio};$

- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)":

$(\text{Max}(0, U_V - \text{CFL}_V) \div \text{FX}_V) \times \text{Security Ratio};$

- (iii) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Local)":

$\text{Max}(0, \text{CFL}_V - U_V) \times \text{Security Ratio};$  or

- (iv) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)":

$(\text{Max}(0, \text{CFL}_V - U_V) \div \text{FX}_V) \times \text{Security Ratio}.$

**"Optional Cash Redemption Date"** means the fifth Business Day following the relevant Valuation Date or as otherwise specified in the applicable Final Terms.

**"Put Option Commencement Year"** means the year specified in the applicable Final Terms.

**"Put Option Notice Month"** means the month specified in the applicable Final Terms.

**"Put Option Notice Period"** means the period upon which the Holder can give notice which is:

- (i) in respect of the Annual Put Option; from and including the first Business Day of the Put Option Notice Month up to and including the fifth Business Day prior to the last Business Day of the Put Option Notice Month, in each year from and including the Put Option Commencement Year; or
- (ii) in respect of the Put Option following receipt of an Adjustment Notice; from and including the date of the Adjustment Notice, to and including the tenth Business Day following the date of the Adjustment Notice, or as otherwise specified in the Adjustment Notice.

**"QHC<sub>C</sub>"** is the Quanto Hedging Charge in respect of calendar day "c".

**"QHCL<sub>R</sub>"** is the Quanto Hedging Charge Level in respect of the Reset Date immediately preceding the relevant calendar day.

**"Quanto Hedging Charge"** means in respect of the Issue Date, zero, and in respect of any subsequent calendar day, an amount in the Underlying Asset Currency determined by the Determination Agent equal to:

$\text{QHCL}_R \times U_R \times d/365$

For the avoidance of doubt, the Quanto Hedging Charge can be negative.



**"Quanto Hedging Charge Level"** means in respect of the Issue Date, the Initial Quanto Hedging Charge Level; and in respect of any subsequent Quanto Reset Date, a per annum rate determined by the Issuer, having regard to prevailing market conditions affecting the correlation between the Underlying Asset and the prevailing rate of exchange between the Underlying Asset Currency and the Issue Currency, the interest rates applicable to such currencies and any other such factors as the Issuer deems relevant in determining the costs associated with arranging the fixed Exchange Rate. For avoidance of doubt, the Quanto Hedging Charge Level may be reset on a daily basis and may be negative.

**"Quanto Reset Date"** means each calendar day or as otherwise specified as such in the applicable Final Terms. The first Quanto Reset Date means the Issue Date, or as otherwise specified in the applicable Final Terms.

**"Rate"** means in respect of any Calculation Period, a rate determined by the Issuer as the prevailing rate available to the Issuer in respect of its hedging strategy relating to the Securities in the Financing Level Currency (where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)") or in the Issue Currency (where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Quanto)" or "Open-ended Mini Short (Quanto)") with a designated maturity of either overnight or such other maturity as deemed appropriate by the Issuer by reference to the Calculation Period, subject to a maximum of one month.

**"R<sub>C</sub>"** means the Rate in respect of calendar day "c".

**"Reset Date"** means each calendar day or as otherwise specified as such in the applicable Final Terms. The first Reset Date means the Issue Date, or as otherwise specified in the applicable Final Terms.

**"Securityholder Put Exercise Date"** means the date upon which the put is to occur, which will be:

- (i) in respect of the Annual Put Option; the last Scheduled Trading Day in the Put Option Notice Month; or
- (ii) in respect of the Put Option following receipt of an Adjustment Notice; the date as specified in the Adjustment Notice, or if such date is not specified, the fifth Business Day following the end of the relevant Put Option Notice Period, or if such day is not a Scheduled Trading Day, the Scheduled Trading Day following such day. For the avoidance of doubt, such day will always precede the Adjustment Effective Date.

**"Security Ratio"** means the amount specified as such in the applicable Final Terms.

**"SLP<sub>C</sub>"** means the Current Stop Loss Premium in respect of calendar day "c".

**"Specified Early Cash Settlement Amount"** means, in respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)":  

$$\text{Max}(0, \text{SLTRP} - \text{CFL}_V) \times \text{Security Ratio};$$
- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)":  

$$\text{Max}(0, \text{SLTRP} - \text{CFL}_V) \div \text{FX}_V \times \text{Security Ratio};$$
- (iii) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Local)":  

$$\text{Max}(0, \text{CFL}_V - \text{SLTRP}) \times \text{Security Ratio};$$

- (iv) where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)":

$$\text{Max}(0, \text{CFL}_V - \text{SLTRP}) \div \text{FX}_V \times \text{Security Ratio}.$$

**"Specified Early Cash Redemption Date"** means the fifth Business Day following the relevant Valuation Date or as otherwise specified in the applicable Final Terms.

**"Stop Loss Observation Start Date"** means the Issue Date, or as otherwise specified in the applicable Final Terms.

**"Stop Loss Rounding Amount"** means an amount in the Underlying Asset Currency as specified in the applicable Final Terms.

**"Stop Loss Rounding Convention"** means that the relevant amount will be rounded upwards (where the Final Terms specify the "Type of Security" to be "Open-ended Mini Long (Local)" or "Open-ended Mini Long (Currency Translated)" or "Open-ended Mini Long (Quanto)" or downwards (where the Final Terms specify the "Type of Security" to be "Open-ended Mini Short (Local)" or "Open-ended Mini Short (Currency Translated)" or "Open-ended Mini Short (Quanto)" to the nearest Stop Loss Rounding Amount.

**"SLTRP"** means the Stop Loss Termination Reference Price.

**"Stop Loss Termination Event Date"** means the date a Specified Early Redemption Event occurs.

**"Stop Loss Termination Reference Price"** means, in respect of the relevant Valuation Date, a price for the Underlying Asset as determined by the Issuer with reference to the market prices or levels on the Exchange for the Underlying Asset during a reasonable period following the Stop Loss Termination Event Date. Such period shall take into consideration the potential (i) time required for, and (ii) impact on the market of, unwinding any associated notional hedging trades and shall be deemed to be reasonable if the determination of the Stop Loss Termination Reference Price takes place, at the Issuer's discretion, no later than the Scheduled Trading Day immediately following the Stop Loss Termination Event Date.

**"U<sub>R</sub>"** is the Valuation Price in respect of the Reset Date immediately preceding such calendar day, or, if such day is not a Scheduled Trading Day, the Scheduled Trading Day immediately preceding such Reset Date.

**"U<sub>V</sub>"** means the Valuation Price in respect of the relevant Valuation Date.

**"Valuation Date"** means:

- (a) in respect of the redemption of the Securities following the occurrence of a Specified Early Redemption Event pursuant to General Condition 5.1(a), at the Issuer's discretion, either (a) the Stop Loss Termination Event Date or (b) the Scheduled Trading Day immediately following the Stop Loss Termination Event Date, unless there is a Disrupted Day in respect of such Share or Index on that date, in which event General Condition 9 (*Consequences of Disrupted Days*) will apply; and
- (b) in respect of the exercise of a Call Option pursuant to General Condition 5.1(b) (*Call Option*), the Issuer Call Exercise Date, unless there is a Disrupted Day in respect of such Share or Index on that date, in which event General Condition 9 (*Consequences of Disrupted Days*) will apply;
- (c) in respect of the exercise of a Put Option pursuant to General Condition 5.1(c), the Securityholder Put Exercise Date, unless there is a Disrupted Day in respect of such Share or Index on that date, in which event General Condition 9 (*Consequences of Disrupted Days*) will apply; or
- (d) each Scheduled Trading Day.

**"Valuation Price"** means, in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Underlying Asset at the Valuation Time on such day, as determined by the Determination Agent.

**"Valuation Time"** means, in respect of an Underlying Asset, the time specified in the Final Terms or, if no such time is specified,

- (a) if the Underlying Asset is not specified to be a Multi-exchange Index in the Final Terms, the Scheduled Closing Time on the relevant Exchange on the Valuation Date in relation to such Underlying Asset. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.
- (b) if the Underlying Asset is specified to be a Multi-exchange Index in the Final Terms (a) for the purposes of determining whether a Market Disruption Event has occurred: (i) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (ii) 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, the time at which the official closing level of the relevant Index is calculated and published by the Index Sponsor.

## 5.2 Redemption of Open-ended Turbo Securities

This General Condition 5.2 applies to Securities with respect to which the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Long (Quanto)" or "Open-ended Turbo Short (Local)" or "Open-ended Turbo Short (Currency Translated)" or "Open-ended Turbo Short (Quanto)". Capitalised terms used in General Condition 5.2(a) (*Specified Early Redemption*), General Condition 5.2(b) (*Call Option*) and General Condition 5.2(c) (*Put Option*) have the meanings given to them in General Condition 5.2(d) (*Relevant Defined Terms*).

### (a) Specified Early Redemption

If the Issuer determines, in its sole discretion, that the market price of the Underlying Asset at any time on any day from, and including, the Knock-out Observation Start Date is equal to or lower than (where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Long (Quanto)") or equal to or higher than (where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Short (Local)" or "Open-ended Turbo Short (Currency Translated)" or "Open-ended Turbo Short (Quanto)"), the Current Knock-out Barrier, a Specified Early Redemption Event will occur (such event, a "**Specified Early Redemption Event**") and the Issuer shall notify each Holder in accordance with General Condition 21 and shall redeem all of the Securities (in whole only) at a cash amount in the Settlement Currency equal to the Specified Early Cash Settlement Amount on the Specified Early Cash Redemption Date.

### (b) Call Option

The Issuer may give irrevocable notice on any Scheduled Trading Day from and including the Issue Date to redeem all Securities (such notice, an "**Issuer Call Notice**"). The Issuer Call Notice will set out the Issuer Call Exercise Date and, following exercise of the call option, the Issuer will pay an amount equal to the Optional Cash Redemption Amount to the holder of each Security on the relevant Optional Cash Redemption Date.

### (c) Put Option

#### (i) Annual Put Option

A Holder may, on any Business Day during the Put Option Notice Period, give an irrevocable notice (an "**Option Exercise Notice**") to the Issuer requiring the redemption of some or all of its Securities. Following delivery of such Option Exercise Notice, the put option will be exercised on the Securityholder Put Exercise Date and the Issuer will pay to

the relevant Holder, in respect of each redeeming Security, an amount equal to the Optional Cash Redemption Amount on the relevant Optional Cash Redemption Date.

(ii) **Put Option following adjustment to Maximum Current Margin**

The Issuer may, by giving not less than 10 Business Day's written notice to the Determination Agent and the Holders (an "**Adjustment Notice – Maximum Current Margin**"), adjust the Maximum Current Margin if, at any time, it determines that the market costs associated with hedging the Securities have materially increased as compared to the corresponding market costs as of either the Issue Date, or the date on which the Maximum Current Margin was most recently adjusted.

The Adjustment Notice - Maximum Current Margin shall set out the details of the adjustment, the effective date of the adjustment (the "**Adjustment Effective Date**") and the Put Option Notice Period and Securityholder Put Exercise Date in respect of the relevant Put Option. For the avoidance of doubt, the Adjustment Effective Date will be no earlier than the first Business Day following the Securityholder Put Exercise Date.

Following the receipt of an Adjustment Notice - Maximum Current Margin, a Holder may, on any Business Day during the Put Option Notice Period, give an irrevocable notice (an "**Option Exercise Notice**") to the Issuer requiring the redemption of some or all of its Securities on the Securityholder Put Exercise Date. Following receipt of such Option Exercise Notice from the Holder, the Issuer will pay to the relevant Holder, in respect of each redeeming Security, an amount equal to the Optional Cash Redemption Amount on the relevant Optional Cash Redemption Date.

(d) **Relevant Defined Terms**

For the purposes of this General Condition 5.2 the following terms shall have the following meanings (and to the extent not defined below, shall have the meaning set out in Condition 29.1 (*Definitions*):

"**Adjustment Notice**" means an Adjustment Notice – Maximum Current Margin.

"**Applicable Dividend Amount**" means either:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Long (Quanto)", in respect of any calendar day, an amount in the Financing Level Currency determined by the Issuer as that amount which would be received by the Issuer as if it were the holder of record of (a) if the Underlying Asset is a Share, such share, or (b) if the Underlying Asset is an Index, the share comprised in the Index during the Calculation Period which is subject to a dividend, (net of any deductions, withholdings or other amounts required by any applicable law or regulation, including any applicable taxes, duties or charges of any kind whatsoever), regardless of whether the Issuer actually holds the shares or not, multiplied by the Dividend Participation; or
- (ii) where the Final Terms specify the "Open-ended Turbo Short (Local)" or "Open-ended Turbo Short (Currency Translated)" or "Open-ended Turbo Short (Quanto)", in respect of any calendar day, an amount in the Financing Level Currency determined by the Issuer as that amount which would be received by the Issuer as if it were the holder of record of (a) if the Underlying Asset is a Share, such share, or (b) if the Underlying Asset is an Index, the share comprised in the Index during the Calculation Period which is subject to a dividend, (disregarding any deductions, withholdings or other amounts required by any applicable law or regulation, including any applicable taxes, duties or charges of any kind whatsoever), multiplied by the Dividend Participation.

"**Calculation Period**" means each period from, and excluding, one Reset Date (or, in the case of the first period, the Issue Date) to, and including, the immediately following Reset Date.

"**CFL<sub>c</sub>**" means the Current Financing Level in respect of calendar day "c".

"**CFL<sub>V</sub>**" means the Current Financing Level in respect of the relevant Valuation Date.

"**CFL<sub>R</sub>**" means the Current Financing Level in respect of the immediately preceding Reset Date.

"**CM<sub>C</sub>**" means the Current Margin applicable in respect of the Calculation Period in which calendar day "c" falls.

"**Current Financing Level**" means, in respect of the Issue Date, the Initial Financing Level and in respect of any subsequent calendar day, an amount determined by the Issuer equal to:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Short (Local)" or "Open-ended Turbo Short (Currency Translated)":
  - (a) if "Dividends" are specified as being "applicable" in the applicable Final Terms:  
 $(CFL_R + FC_C - DIV_C)$ ;
  - (b) if "Dividends" are specified as being "not applicable" in the applicable Final Terms:  
 $(CFL_R + FC_C)$ ;
- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Quanto)" or "Open-ended Turbo Short (Quanto)":
  - (a) if "Dividends" are specified as being "applicable" in the applicable Final Terms:  
 $(CFL_R + QHC_C + FC_C - DIV_C)$ ; or
  - (b) if "Dividends" are specified as being "not applicable" in the applicable Final Terms:  
 $(CFL_R + QHC_C + FC_C)$ .

"**Current Knock-out Barrier**" means in respect of the Issue Date, the Initial Financing Level and in respect of any subsequent calendar day, the Current Financing Level.

"**Current Margin**" means in respect of the Issue Date, the Initial Current Margin and in respect of any subsequent calendar day, an amount determined by the Issuer having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Issuer determines appropriate in its sole discretion and in respect of any Calculation Period may be reset on each Reset Date, at the discretion of the Issuer, subject to it not exceeding the Maximum Current Margin.

"**d**" is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, the relevant calendar day.

"**DIV<sub>C</sub>**" is the Applicable Dividend Amount in respect of calendar day "c".

"**Dividend Participation**" means, if "Dividends" are specified as being "applicable" in the applicable Final Terms, the percentage specified in the applicable Final Terms.

"**Exchange Rate**" means:

- (a) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Short (Currency Translated)", the prevailing exchange rate expressed as the number of units of the Underlying Asset Currency equivalent to one unit of the Issue Currency, determined by the Determination Agent in its sole discretion on the relevant Valuation Date; or

- (b) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Quanto)" or "Open-ended Turbo Short (Quanto)", a rate equal to one unit of the Underlying Asset Currency per one unit of the Issue Currency.

"**FC<sub>C</sub>**" means the Funding Cost in respect of calendar day "c".

"**Financing Level Currency**" means the currency specified as such in the applicable Final Terms.

"**FL<sub>1</sub>**" means the Initial Financing Level.

"**FR<sub>C</sub>**" means the Funding Rate in respect of calendar day "c".

"**Funding Cost**" means in respect of any calendar day, an amount determined by the Issuer in its sole discretion equal to:

$$FR_C \times CFL_R \times d/365$$

"**Funding Rate**" means in respect of any calendar day, an amount determined by the Issuer in its sole discretion equal to:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Long (Quanto)":

$$(R_C + CM_C); \text{ or}$$

- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Short (Local)" or "Open-ended Turbo Short (Currency Translated)" or "Open-ended Turbo Short (Quanto)":

$$(R_C - CM_C).$$

"**FX<sub>V</sub>**" means, if applicable, the Exchange Rate in respect of the relevant Valuation Date.

"**Initial Current Margin**" means the percentage specified as such in the applicable Final Terms.

"**Initial Financing Level**" means the currency amount specified as such in the applicable Final Terms.

"**Initial Quanto Hedging Charge Level**" means a per annum rate specified in the applicable Final Terms.

"**Issuer Call Notice Date**" means the date upon which the Issuer gives notice to call the Securities.

"**Issuer Call Exercise Date**" means the date upon which the call is to occur, which will be the later of:

- (i) the fifth Business Day following the Issuer Call Notice Date, or if such day is not a Scheduled Trading Day, the Scheduled Trading Day following such day; or
- (ii) the date specified in the Issuer Call Notice.

"**Knock-out Observation Start Date**" means the Issue Date, or as otherwise specified in the applicable Final Terms.

"**Maximum Current Margin**" means the percentage specified as such in the applicable Final Terms, subject to the Issuer's right of adjustment set out in General Condition 5.2(c)(ii) above.

"**Optional Cash Redemption Amount**" means an amount in the Settlement Currency in the Settlement Currency determined by the Determination Agent on the relevant Valuation Date in accordance with the provisions below:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Local)":

$$\text{Max}(0, U_V - \text{CFL}_V) \times \text{Security Ratio};$$

- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Long (Quanto)":

$$(\text{Max}(0, U_V - \text{CFL}_V) \div \text{FX}_V) \times \text{Security Ratio};$$

- (iii) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Short (Local)":

$$\text{Max}(0, \text{CFL}_V - U_V) \times \text{Security Ratio}; \text{ or}$$

- (iv) where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Short (Currency Translated)" or "Open-ended Turbo Short (Quanto)":

$$(\text{Max}(0, \text{CFL}_V - U_V) \div \text{FX}_V) \times \text{Security Ratio}.$$

**"Optional Cash Redemption Date"** means the fifth Business Day following the relevant Valuation Date or as otherwise specified in the applicable Final Terms.

**"Put Option Commencement Year"** means the year specified in the applicable Final Terms.

**"Put Option Notice Month"** means the month specified in the applicable Final Terms.

**"Put Option Notice Period"** means the period upon which the Holder can give notice which is:

- (i) in respect of the Annual Put Option; from and including the first Business Day of the Put Option Notice Month up to and including the fifth Business Day prior to the last Business Day of the Put Option Notice Month, in each year from and including the Put Option Commencement Year; or
- (ii) in respect of the Put Option following receipt of an Adjustment Notice; from and including the date of the Adjustment Notice, to and including the tenth Business Day following the date of the Adjustment Notice, or as otherwise specified in the Adjustment Notice.

**"QHC<sub>c</sub>"** is the Quanto Hedging Charge in respect of calendar day "c".

**"QHCL<sub>R</sub>"** is the Quanto Hedging Charge Level in respect of the Reset Date immediately preceding the relevant calendar day.

**"Quanto Hedging Charge"** means in respect of the Issue Date, zero, and in respect of any subsequent calendar day, an amount in the Underlying Asset Currency determined by the Determination Agent equal to:

$$\text{QHCL}_R \times U_R \times d/365$$

For the avoidance of doubt, the Quanto Hedging Charge can be negative.

**"Quanto Hedging Charge Level"** means in respect of the Issue Date, the Initial Quanto Hedging Charge Level; and in respect of any subsequent Quanto Reset Date, a per annum rate determined by the Issuer, having regard to prevailing market conditions affecting the correlation between the Underlying Asset and the prevailing rate of exchange between the Underlying Asset Currency and the Issue Currency, the interest rates applicable to such currencies and any other such factors as the Issuer deems relevant in determining the costs associated with arranging the fixed Exchange Rate. For avoidance of doubt, the Quanto Hedging Charge Level may be reset on a daily basis and may be negative.

**"Quanto Reset Date"** means each calendar day or as otherwise specified as such in the applicable Final Terms. The first Quanto Reset Date means the Issue Date, or as otherwise specified in the applicable Final Terms.

**"Rate"** means in respect of any Calculation Period, a rate determined by the Issuer as the prevailing rate available to the Issuer in respect of its hedging strategy relating to the Securities in the Financing Level Currency (where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)" or "Open-ended Turbo Long (Local)" or "Open-ended Turbo Long (Currency Translated)") or in the Issue Currency (where the Final Terms specify the "Type of Security" to be "Open-ended Turbo Long (Quanto)" or "Open-ended Turbo Short (Quanto)") with a designated maturity of either overnight or such other maturity as deemed appropriate by the Issuer by reference to the Calculation Period, subject to a maximum of one month.

**"R<sub>C</sub>"** means the Rate in respect of calendar day "c".

**"Reset Date"** means each calendar day or as otherwise specified as such in the applicable Final Terms. The first Reset Date means the Issue Date, or as otherwise specified in the applicable Final Terms.

**"Securityholder Put Exercise Date"** means the date upon which the put is to occur, which will be:

- (i) in respect of the Annual Put Option; the last Scheduled Trading Day in the Put Option Notice Month; or
- (ii) in respect of the Put Option following receipt of an Adjustment Notice; the date as specified in the Adjustment Notice, or if such date is not specified, the fifth Business Day following the end of the relevant Put Option Notice Period, or if such day is not a Scheduled Trading Day, the Scheduled Trading Day following such day. For the avoidance of doubt, such day will always precede the Adjustment Effective Date.

**"Security Ratio"** means the amount specified as such in the applicable Final Terms.

**"Specified Early Cash Settlement Amount"** shall be an amount denominated in the Settlement Currency specified in the applicable Final Terms.

**"Specified Early Cash Redemption Date"** means the fifth Business Day following the relevant Valuation Date or as otherwise specified in the applicable Final Terms.

**"U<sub>R</sub>"** is the Valuation Price in respect of the Reset Date immediately preceding such calendar day, or, if such day is not a Scheduled Trading Day, the Scheduled Trading Day immediately preceding such Reset Date.

**"U<sub>V</sub>"** means the Valuation Price in respect of the relevant Valuation Date.

**"Valuation Date"** means:

- (a) in respect of the exercise of a Call Option pursuant to General Condition 5.2(b), the Issuer Call Exercise Date, unless there is a Disrupted Day in respect of such Share or Index on that date, in which event General Condition 9 (Consequences of Disrupted Days) will apply; or
- (b) in respect of the exercise of a Put Option pursuant to General Condition 5.2(c), the Securityholder Put Exercise Date, unless there is a Disrupted Day in respect of such Share or Index on that date, in which event General Condition 9 (Consequences of Disrupted Days) will apply; or
- (c) each Scheduled Trading Day,

or as otherwise specified in the applicable Final Terms.

**"Valuation Price"** means, in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Underlying Asset at the Valuation Time on such day, as determined by the Determination Agent.

**"Valuation Time"** means, in respect of an Underlying Asset, the time specified in the Final Terms



or, if no such time is specified,

- (a) if the Underlying Asset is not specified to be a Multi-exchange Index in the Final Terms, the Scheduled Closing Time on the relevant Exchange on the Valuation Date in relation to such Underlying Asset. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.
- (b) if the Underlying Asset is specified to be a Multi-exchange Index in the Final Terms (a) for the purposes of determining whether a Market Disruption Event has occurred: (i) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (ii) 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, the time at which the official closing level of the relevant Index is calculated and published by the Index Sponsor.

### 5.3 Redemption of Open-ended Tracker Securities

This General Condition 5.3 applies to Securities with respect to which the Final Terms specify the "Type of Security" to be "Open-ended Tracker without Management Fee Drain (Local)" or "Open-ended Tracker without Management Fee Drain (Currency Translated)" or "Open-ended Tracker (Quanto) Type A" or "Open-ended Tracker with Management Fee Drain (Local)" or "Open-ended Tracker with Management Fee Drain (Currency Translated)" or "Open-ended Tracker (Quanto) Type B". Capitalised terms used in General Condition 5.3(a) (*Call Option*) and General Condition 5.3(b) (*Put Option*) have the meanings given to them in General Condition 5.3(c) (*Relevant Defined Terms*).

#### (a) Call Option

The Issuer may give irrevocable notice on any Scheduled Trading Day from and including the Issue Date to redeem all Securities (such notice, an "**Issuer Call Notice**"). The Issuer Call Notice will set out the Issuer Call Exercise Date and, following exercise of the call option, the Issuer will pay an amount equal to the Optional Cash Redemption Amount to the holder of each Security on the relevant Optional Cash Redemption Date.

#### (b) Put Option

A Holder may, on any Business Day during the Put Option Notice Period, give an irrevocable notice (an "**Option Exercise Notice**") to the Issuer requiring the redemption of some or all of its Securities. Following delivery of such Option Exercise Notice, the put option will be exercised on the Securityholder Put Exercise Date and the Issuer will pay to the relevant Holder, in respect of each redeeming Security, an amount equal to the Optional Cash Redemption Amount on the relevant Optional Cash Redemption Date.

#### (c) Relevant Defined Terms

For the purposes of this General Condition 5.3 the following terms shall have the following meanings (and to the extent not defined below, shall have the meaning set out in General Condition 29.1 (*Definitions*)):

"**Accrued Quanto Hedging Charge**" means in respect of the Issue Date, zero, and in respect of any subsequent Scheduled Trading Day, an amount in the Underlying Asset Currency determined by the Determination Agent equal to:

$$AQHC_{D-1} \times (1 + d/365 \times R_{D-1}) + QHC_D$$

"**Adjusted Valuation Price**" means in respect of the Issue Date, the Valuation Price in respect of the Issue Date, and in respect of any subsequent Scheduled Trading Day, an amount determined by the Determination Agent equal to:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker with Management Fee Drain (Local)" or "Open-ended Tracker with Management Fee Drain (Currency Translated)":

$$AU_{D-1} \times (U_D/U_{D-1}) \times (1 - MF_{D-1} \times d/365);$$

- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker (Quanto) Type A":

$$AU_{D-1} \times (U_D/U_{D-1}) \times (1 - (MF_{D-1} + QHCL_{D-1}) \times d/365); \text{ or}$$

- (iii) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker (Quanto) Type B":

$$\text{Max } [0, U_D - AQHC_D].$$

"**AQHC<sub>D</sub>**" means the Accrued Quanto Hedging Charge in respect of Scheduled Trading Day "D".

"**AQHC<sub>D-1</sub>**" means the Accrued Quanto Hedging Charge in respect of the Scheduled Trading Day immediately preceding the relevant Scheduled Trading Day "D".

"**AU<sub>D-1</sub>**" means the Adjusted Valuation Price in respect of the Scheduled Trading Day immediately preceding the relevant Scheduled Trading Day "D".

"**AU<sub>V</sub>**" means the Adjusted Valuation Price in respect of the relevant Valuation Date.

"**d**" is the number of calendar days from, but excluding, the immediately preceding Scheduled Trading Day to, and including, the relevant Scheduled Trading Day "D".

"**Exchange Rate**" means

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker with Management Fee Drain (Currency Translated)" or "Open-ended Tracker without Management Fee Drain (Currency Translated)", the prevailing exchange rate expressed as the number of units of the Underlying Asset Currency equivalent to one unit of the Issue Currency, determined by the Determination Agent in its sole discretion; or
- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker (Quanto) Type A" or "Open-ended Tracker (Quanto) Type B", a rate equal to one unit of the Underlying Asset Currency per one unit of the Issue Currency.

"**FX<sub>V</sub>**" means, if applicable, the Exchange Rate in respect of the relevant Valuation Date.

"**Initial Quanto Hedging Charge Level**" means a per annum rate specified in the applicable Final Terms.

"**Initial Management Fee**" means a per annum rate specified in the applicable Final Terms.

"**Initial Quanto Management Fee Level**" means a per annum rate specified in the applicable Final Terms.

"**Issue Currency**" means the currency specified as such in the applicable Final Terms.

"**Issuer Call Notice Date**" means the date upon which the Issuer gives notice to call the Securities.

"**Issuer Call Exercise Date**" means the date upon which the call is to occur, which will be the later of:

- (i) the fifth Business Day following the Issuer Call Notice Date, or if such day is not a Scheduled Trading Day, the Scheduled Trading Day following such day; or
- (ii) the date specified in the Issuer Call Notice.

"**Management Fee**" means in respect of the Issue Date, Initial Management Fee; and in respect of any subsequent Scheduled Trading Day, the Management Fee may be reset at the discretion of the Issuer, subject to it not exceeding the Maximum Management Fee.

"**Maximum Management Fee**" means a per annum rate specified in the applicable Final Terms.

"**Maximum Quanto Management Fee Level**" means a per annum rate specified in the applicable Final Terms.

"**MF<sub>D-1</sub>**" means the Management Fee in respect of the Scheduled Trading Day immediately preceding the relevant Scheduled Trading Day "D".

"**Optional Cash Redemption Amount**" means an amount in the Settlement Currency in the Settlement Currency determined by the Determination Agent on the relevant Valuation Date in accordance with the provisions below:

- (i) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker with Management Fee Drain (Local)":

$$AU_V \times \text{Security Ratio};$$

- (ii) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker with Management Fee Drain (Currency Translated)" or "Open-ended Tracker (Quanto) Type A" or "Open-ended Tracker (Quanto) Type B":

$$AU_V \times \text{Security Ratio} \div FX_V;$$

- (iii) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker without Management Fee Drain (Local)"

$$U_V \times \text{Security Ratio};$$

- (iv) where the Final Terms specify the "Type of Security" to be "Open-ended Tracker without Management Fee Drain (Currency Translated)":

$$U_V \times \text{Security Ratio} \div FX_V.$$

"**Optional Cash Redemption Date**" means the fifth Business Day following the relevant Valuation Date or as otherwise specified in the applicable Final Terms.

"**Put Option Commencement Year**" means the year specified in the applicable Final Terms.

"**Put Option Notice Month**" means the month specified in the applicable Final Terms.

"**Put Option Notice Period**" means the period upon which the Holder can give notice from and including the first Business Day of the Put Option Notice Month up to and including the fifth Business Day prior to the last Business Day of the Put Option Notice Month, in each year from and including the Put Option Commencement Year.

"**QHC<sub>D</sub>**" is the Quanto Hedging Charge in respect of Scheduled Trading Day "D".

"**QHCL<sub>D-1</sub>**" is the Quanto Hedging Charge Level in respect of in respect of the Scheduled Trading Day immediately preceding the relevant Scheduled Trading Day "D".

"**QHCL<sub>R</sub>**" is the Quanto Hedging Charge Level in respect of the Reset Date immediately preceding the relevant calendar day "c".

"**QMFL<sub>R</sub>**" is the Quanto Management Fee Level in respect of the Reset Date immediately preceding the relevant calendar day "c".

"**Quanto Hedging Charge**" means in respect of the Issue Date, zero, and in respect of any subsequent calendar day "c", an amount in the Underlying Asset Currency determined by the Determination Agent equal to:

$$(QHCL_R + QMFL_R) \times U_R \times d/365$$

For the avoidance of doubt, the Quanto Hedging Charge can be negative.

**"Quanto Hedging Charge Level"** means in respect of the Issue Date, the Initial Quanto Hedging Charge Level; and in respect of any subsequent Quanto Reset Date, a per annum rate determined by the Issuer, having regard to prevailing market conditions affecting the correlation between the Underlying Asset and the prevailing rate of exchange between the Underlying Asset Currency and the Issue Currency, the interest rates applicable to such currencies and any other such factors as the Issuer deems relevant in determining the costs associated with arranging the fixed Exchange Rate. For avoidance of doubt, the Quanto Hedging Charge Level may be reset on any Reset Date and may be negative.

**"Quanto Management Fee Level"** means in respect of the Issue Date, Initial Quanto Management Fee Level; and in respect of any subsequent Quanto Reset Date, the Quanto Management Fee Level as determined by the Issuer, subject to it not exceeding the Maximum Quanto Management Fee Level.

**"Quanto Reset Date"** means each calendar day or as otherwise specified as such in the applicable Final Terms. The first Quanto Reset Date means the Issue Date, or as otherwise specified in the applicable Final Terms.

**"Rate"** means in respect of any calendar day, the Rate determined by the Issuer in its sole discretion, and equal to the prevailing rate available to the Issuer in respect of its hedging strategy relating to the Securities in the Issue Currency with a designated maturity of either overnight or such other maturity as deemed appropriate by the Issuer by reference to the expected period between Reset Dates, subject to a maximum of one month.

**"R<sub>D-1</sub>"** means the Rate in respect of the Scheduled Trading Day immediately preceding the relevant Scheduled Trading Day "D".

**"Reset Date"** means each calendar day or as otherwise specified as such in the applicable Final Terms. The first Reset Date means the Issue Date, or as otherwise specified in the applicable Final Terms.

**"Securityholder Put Exercise Date"** means the date upon which the put is to occur, which will be the last Scheduled Trading Day in the Put Option Notice Month.

**"Security Ratio"** means the amount specified as such in the applicable Final Terms.

**"U<sub>D</sub>"** means the Valuation Price in respect of Scheduled Trading Day "D".

**"U<sub>D-1</sub>"** means the Valuation Price in respect of the Scheduled Trading Day immediately preceding the relevant Scheduled Trading Day "D".

**"U<sub>R</sub>"** means the Valuation Price in respect of the Reset Date immediately preceding the relevant calendar day "c", or if such day is not a Scheduled Trading Day, the Scheduled Trading Day immediately preceding such Reset Date.

**"U<sub>V</sub>"** means the Valuation Price in respect of the relevant Valuation Date.

**"Valuation Date"** means:

- (a) in respect of the exercise of a Call Option pursuant to General Condition 5.3(a), the Issuer Call Exercise Date, unless there is a Disrupted Day in respect of such Share or Index on that date, in which event General Condition 9 (*Consequences of Disrupted Days*) will apply;
- (b) in respect of the exercise of a Put Option pursuant to General Condition 5.3(b), the Securityholder Put Exercise Date, unless there is a Disrupted Day in respect of such Share or Index on that date, in which event General Condition 9 (*Consequences of Disrupted Days*) will apply; or

- (b) each Scheduled Trading Day.

**"Valuation Price"** means, in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Underlying Asset at the Valuation Time on such day, as determined by the Determination Agent.

**"Valuation Time"** means, in respect of an Underlying Asset, the time specified in the Final Terms or, if no such time is specified,

- (a) if the Underlying Asset is not specified to be a Multi-exchange Index in the Final Terms, the Scheduled Closing Time on the relevant Exchange on the Valuation Date in relation to such Underlying Asset. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.
- (b) if the Underlying Asset is specified to be a Multi-exchange Index in the Final Terms (a) for the purposes of determining whether a Market Disruption Event has occurred: (i) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (ii) 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, the time at which the official closing level of the relevant Index is calculated and published by the Index Sponsor.

### Publication of Pricing Details

The Issuer shall make reasonable efforts to publish, in respect of each Series of Securities, to the extent applicable to such Series, the applicable Current Financing Level, the applicable Current Stop Loss Level, the applicable Current Knock-out Barrier and/or the applicable Parity, on <http://www.bmarkets.com> or such other website as may be specified in the applicable Final Terms.

## D. EQUITY LINKED CONDITIONS, DISRUPTION EVENTS AND TAXES AND EXPENSES

### 6. Settlement

#### 6.1 Conditions to Settlement

If the Issuer determines that any condition to settlement to be satisfied by a Holder has not been satisfied in respect of the Securities on or prior to the date on which settlement would otherwise have been scheduled to occur, payment or delivery of the relevant Settlement Amount shall not become due until the date on which all conditions to settlement have been satisfied in full (such Settlement Amount, the **"Conditional Settlement Amount"**). No additional amounts shall be payable or deliverable as a result of any such delay or postponement.

The conditions to settlement to be satisfied by a Holder include, without limitation, (a) receipt of all instructions, certifications and information by the Issuer, the Issue and Paying Agent and the Relevant Clearing System, as applicable, required by the Issuer, the Issue and Paying Agent and/or the Relevant Clearing System to effect payment of the relevant Settlement Amount to the Holder (or to its order) within the required time period, (b) the condition to settlement in General Condition 4.5 (*Taxes, Settlement Expenses and Conditions to Settlement*), (c) the deposit of a duly completed Security Exercise Notice or any other applicable notice in accordance with the Conditions, as applicable, and (d) the deposit, presentation or surrender of the relevant Security, as applicable.

If the conditions to settlement to be satisfied by a Holder have not been satisfied by (i) 10:00 a.m., London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m., Luxembourg or Brussels time, or such other time as determined by the Determination Agent as appropriate for the Relevant Clearing System, on the day that is the number of calendar days equal to the Settlement Number following the applicable Final Settlement Cut-off Date (the **"Security Settlement Cut-off Date"**) as determined by the Determination Agent, the relevant conditions to settlement will not be capable of being satisfied. With effect from the Security Settlement Cut-off Date, the relevant Holder shall have no right to receive any payment or delivery of the Conditional Settlement Amount and shall have no claim against the Issuer in relation thereto.

## 6.2 Postponement of Payments and Settlement

If the determination of a price or level used to calculate any amount payable or deliverable on any Payment Date is delayed or postponed pursuant to the Conditions of the Securities, payment or settlement will occur on the later of either (i) the scheduled Payment Date, or (ii) the third Business Day following the relevant Valuation Date. No additional amounts shall be payable or deliverable by the Issuer because of such postponement.

## 7. Index Modification, Cancellation, Disruption or Adjustment Event

The following provisions of this General Condition 7 will apply to all Index Linked Securities.

### 7.1 Index Adjustment Event:

If,

- (i) on or prior to any date on which the level of an Index is to be calculated, including, without limitation, any Valuation Date (a "**Determination Date**"), in respect of Index Linked Securities, the relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index and no successor Index exists (an "**Index Cancellation**"); or
- (ii) on any Determination Date in respect of Index Linked Securities the Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, an "**Index Adjustment Event**"),

then the Determination Agent shall on each relevant Determination Date determine if such Index Adjustment Event has a material effect on the relevant Securities and, if so, shall calculate the level of that Index by using, in lieu of a published level for the relevant Index, the level for that Index as at that Determination Date in accordance with the formula for and method of calculating that Index last in effect prior to that Index Adjustment Event, but using only those Components that constituted the relevant Index immediately prior to that Index Adjustment Event (other than those securities that have since ceased to be listed on any relevant Exchange).

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent may deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these provisions and shall take any necessary action in accordance with the applicable provisions of General Condition 11 (*Early Redemption or Adjustment following an Additional Disruption Event*) in respect of the Securities.

### 7.2 Successor Index Sponsor or Substitution of Index with substantially similar calculation

If an Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Determination Agent or (ii) replaced by a successor index (the "**Successor Index**") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then (1) the index as calculated and announced by the Successor Index Sponsor or (2) the Successor Index will be deemed to be the Index.

### 7.3 Correction of an Index

If the level of an Index published on any Determination Date and used or to be used by the Determination Agent to determine the relevant Index value is subsequently corrected and the correction is published by the Index Sponsor or a Successor Index Sponsor no later than two Exchange Business Days prior to the next date upon which any payment shall be made by the Issuer, the Determination Agent shall recalculate the amount that is payable, using such corrected level of the relevant Index and, to the extent necessary, will adjust any relevant terms of the Index Linked Securities to account for such correction. The Determination Agent shall notify the Holders in

accordance with General Condition 21 (*Notices*) of (i) that correction and (ii) the amount, if any, that is payable as a result of that correction and (iii) any adjustment being made.

#### 7.4 **Manifest Error in Index Calculation**

Notwithstanding anything to the contrary herein, if, on any Determination Date there is, in the reasonable opinion of the Determination Agent, a manifest error in the calculation of the Index by the Index Sponsor (as manifested in the level of the Index published by the Index Sponsor), the Determination Agent may calculate the level of such Index for such date in lieu of using the level published on such date by the Index Sponsor. Such calculation will be determined in accordance with the methodology and formula for calculating the Index used by the Index Sponsor last in effect prior to the manifest error occurring. Where the Determination Agent calculates the level of the Index in accordance with this paragraph, it shall give notice to the Holder(s) of the Index level so calculated no later than 5 Business Days after the relevant Determination Date.

If the Index Sponsor continues to calculate the Index with manifest error for more than three Scheduled Trading Days, then the Determination Agent may make such adjustments to the terms of the Security as it may in its sole discretion determine, including, without limitation, selecting an alternative index to replace the Index and/or replicating the constituents of the relevant Index and/or continuing to calculate the Index in accordance with the methodology and formula for calculating the Index used by the Index Sponsor last in effect prior to the manifest error occurring and/or adjusting the constituents and weightings of the Index. Where the Determination Agent makes any adjustment(s) in accordance with this paragraph, it shall give notice to the Holder(s) as soon as is reasonably practicable after making such adjustment(s).

Where a correction to the level of an Index is published by the Index Sponsor as described in General Condition 7.3 (*Correction of an Index*) after the Determination Agent has calculated the level of such Index pursuant to this General Condition 7.4 (*Manifest Error in Index Calculation*), the Determination Agent may recalculate any amount to be paid, using such corrected level in accordance with the provisions of General Condition 7.3 (*Correction of an Index*) after the correction to the level of the relevant Index is published by the relevant Index Sponsor. Where a correction to the level of an Index is published by the relevant Index Sponsor after an adjustment has been made to the terms of the Security in accordance with the preceding paragraph, General Condition 7.3 (*Correction of an Index*) shall not apply and the terms of such adjustment shall prevail.

### 8. **Share Adjustments or Disruptions**

The following provisions will apply to all Share Linked Securities.

#### 8.1 **Potential Adjustment Events**

The Determination Agent may at any time determine that a Potential Adjustment Event has occurred. Following such determination, the Determination Agent will then determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (i) make the corresponding adjustment(s), relevant to the settlement, payment or other terms of the Securities as the Determination Agent determines appropriate to account for the diluting or concentrative effect of such Potential Adjustment Event (the "**Adjustment(s)**") and (ii) determine the effective date(s) of the Adjustment(s). The Determination Agent may (but need not) determine the appropriate Adjustment(s) by reference to the Adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on that options exchange.

Any adjustment to the terms of the Securities following a Potential Adjustment Event shall take into account the economic cost of any taxes, duties, levies, fees or registration payable by or on behalf of the Issuer or any of its relevant Affiliates or a foreign investor charged on subscription, acquisition or receipt of any Shares or other securities received as a result of the Potential Adjustment Event, such calculations to be determined and carried out by the Determination Agent in good faith.

Notwithstanding the above, the Issuer may, alternatively, on giving notice to the Holders, elect, in lieu of the Determination Agent making an Adjustment in respect of a Potential Adjustment Event, to deliver to each Holder one or more additional Securities (the "**Adjustment Event Securities**")

and/or pay to each Holder a cash amount (the "**Adjustment Event Amount**") to account for the diluting or concentrative effect of such Potential Adjustment Event. Where the Issuer elects to deliver Adjustment Event Securities, such Adjustment Event Securities will be issued on the same (or substantially the same) terms as the relevant Securities as the Determination Agent may determine. In such notice the Issuer will set out the amount of Securities to be delivered and/or cash to be paid and the manner in which such delivery and/or payment is to be made.

## 8.2 Merger Events, Nationalisation, Insolvency, Delisting and Tender Offers

Following the occurrence of any Merger Event, Nationalisation, Insolvency, Delisting or Tender Offer (as determined by the Determination Agent), such event shall constitute an Additional Disruption Event and the applicable provisions of General Condition 11 (*Early Redemption or Adjustment following an Additional Disruption Event*) shall apply.

## 8.3 Substitution of Shares

### (a) If "Substitution of Shares – Standard" is specified in the Final Terms as applicable

- (i) If any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the "**Affected Shares**"), then without prejudice to the rights that the Issuer has under the Securities (as described above), the Issuer shall have the option to substitute the Affected Shares with substitute shares (the "**Substitute Shares**") as selected by the Determination Agent as at the Announcement Date or the Tender Offer Date, as the case may be.
- (ii) The Substitute Shares shall have such criteria as the Determination Agent deems appropriate, including, but not limited to, the following:
  - (A) the Substitute Shares shall belong to a similar economic sector as the Share Company of the Affected Shares; and
  - (B) the issuer of the Substitute Share shall be of a similar international standing and creditworthiness as the Share Company of the Affected Shares.
- (iii) The Initial Price of the Substitute Shares shall be determined in accordance with the following:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Share(k)}/\text{Affected Share(j)})$$

where:

- "**Substitute Price**" means the official closing price per Share of the relevant Substitute Shares as at the Valuation Time on the dates on which the Affected Share(j) is determined or, if such date is not a Scheduled Trading Day on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Day of the Substitute Shares;
  - "**Affected Share (k)**" means the "Initial Price" per Share of the relevant Affected Shares as specified in the Final Terms; and
  - "**Affected Share (j)**" means the last closing price per Share of the Affected Shares on or prior to the Announcement Date or the Tender Offer Date (as the case may be).
- (iv) The Determination Agent shall notify the Holders as soon as practicable after the selection of the relevant Substitute Shares, in accordance with General Condition 21 (*Notices*).

### (b) If "Substitution of Shares – ETF underlying" is specified in the Final Terms as applicable

- (i) On the occurrence of an Extraordinary Event, then without prejudice to the rights that the Issuer has under the Securities, the Issuer shall have the discretion to substitute the Share with such shares, units or other interests of an exchange-traded fund or other financial security, index or instrument (each a "**Replacement Security**") that the Determination Agent



in its sole discretion determines, is comparable to the discontinued Share (or discontinued Replacement Security) as at the Announcement Date or the Tender Offer Date or such other date as the Determination Agent may deem appropriate, as the case may be and such Replacement Security shall be deemed to be the Share for all purposes of the Securities after the substitution.

- (ii) Upon the substitution by the Determination Agent of a Replacement Security, the Determination Agent may adjust any variable in the terms of the Securities (including, without limitation, any variable relating to the price of the shares, units or other interests in the relevant Share, the number of such shares, units or other interests outstanding, created or redeemed or any dividend or other distribution made in respect of such shares, units or other interests) as, in the good faith judgement of the Determination Agent, may be, and for such time as may be, necessary to render the Replacement Security comparable to the shares or other interests of the relevant discontinued Share (or discontinued Replacement Security) for purposes of the Securities.
  - (iii) Upon any substitution by the Determination Agent of a Replacement Security, the Determination Agent shall notify the Holders as soon as practicable after the selection of the Replacement Security.
- (c) In the event that (i) the Issuer determines not to substitute the Share in accordance with General Condition 8.3(a) or General Condition 8.3(b), or (ii) the Determination Agent determines that it cannot substitute the Affected Share in accordance with General Condition 8.3(a) or General Condition 8.3(b) or cannot determine a Replacement Security in accordance with General Condition 8.3(a) or General Condition 8.3(b), the Issuer may in its discretion determine that such Extraordinary Event is an Additional Disruption Event and shall make appropriate adjustments or redeem all of the Securities of the relevant Series in whole in accordance with General Condition 7.2 (*Cancellation or Adjustment following an Additional Disruption Event or Cancellation following the Occurrence of a Specified Early Cancellation Event*).

#### 9. **Consequences of Disrupted Days**

If, in the opinion of the Determination Agent, any Valuation Date is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the Disrupted Days, would have been the Valuation Date (the "**Scheduled Valuation Date**") is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that it is a Disrupted Day, and the Determination Agent shall determine:

- (i) in the case of a Share Linked Security the relevant Exchange-traded or quoted price (the "**Traded Price**") for such Share that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day; or
- (ii) in the case of an Index Linked Security, the level of the Index as at the Valuation Time on the eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Traded Price as at the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its determination of the Traded Price for the relevant security as at the Valuation Time on that eighth Scheduled Trading Day).

#### 10. **Adjustments**

If the Issuer requests that the Determination Agent determine whether an appropriate adjustment can be made in accordance with General Condition 11 (*Early Redemption or Adjustment following an Additional Disruption Event*), the Issuer shall not be obliged to make any adjustment that it does not think is appropriate and none of the Determination Agent, the Issuer or any other party shall be liable for the Issuer making or failing to make any such adjustment.

In particular, notwithstanding that an adjustment is required to be made by the provisions set out in

this Section D (*Equity Linked Conditions, Disruption Events And Taxes And Expenses*) in respect of any event affecting a Share Company or its Shares, or an Index or its Index Sponsor, the Issuer reserves the right not to make that adjustment if, at the time the adjustment is to be made pursuant thereto, an option or future on the relevant Share or Index is traded on any Futures or Options Exchange and no adjustment is made by that Futures or Options Exchange to the entitlement under that traded option or future in respect of that event.

The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective.

#### 11. **Early Redemption or Adjustment following an Additional Disruption Event**

If an Additional Disruption Event occurs, the Issuer may:

- (i) request that the Determination Agent determines whether an appropriate adjustment can be made to the Conditions or any other provisions relating to the Securities to account for the economic effect of such Additional Disruption Event on the Securities and to preserve substantially the economic effect to the Holders of a holding of the relevant Security. The Issuer shall notify Holders of any such adjustment(s) as soon as reasonably practicable after the nature and effective date of the adjustments are determined; provided that, if the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Holders of a holding of the relevant Security, the Determination Agent will notify the Issuer of such determination and no adjustment(s) shall be made and paragraph (ii) below will apply to the Securities; or
- (ii) on giving not less than the Early Redemption Notice Period Number of Business Days' irrevocable notice to the Holders, redeem all of the Securities of the relevant Series on the Early Cash Redemption Date ("**Early Cash Redemption Date**") and pay to each Holder, in respect of each Security held by it, an amount equal to the Early Cash Settlement Amount, and:
  - (A) in respect of any Additional Disruption Event that is (I) a Currency Disruption Event, Issuer Tax Event, Extraordinary Market Disruption or a Change in Law for which "Change in Law - Hedging" is not specified to be applicable in the Final Terms, or (II) set out in limbs (c) or (d) of the definition of Additional Disruption Event, an amount equal to the Early Cash Settlement Amount; or
  - (B) in respect of any Additional Disruption Event that is set out in limb (b) of the definition of Additional Disruption Event, or a Change in Law for which "Change in Law - Hedging" is specified to be applicable in the Final Terms, an amount equal to the Early Termination Amount.

#### 12. **FX Disruption Event**

If "FX Disruption Event" is specified in the Final Terms as applicable, upon the occurrence of an FX Disruption Event, the Issuer may take any one or more of the actions described below:

- (i) make payment of the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions in the Specified Currency instead of the Settlement Currency, the amount payable in the Specified Currency being determined by the Determination Agent; or
- (ii) deduct an amount calculated by the Determination Agent as representing the applicable charge or deduction arising in connection with the FX Disruption Event from the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions; and/or
- (iii) postpone the relevant payment date for any amount payable by the Issuer pursuant to the Conditions until, in the determination of the Determination Agent, an FX Disruption Event is no longer subsisting; and/or

- (iv) on giving not less than 10 Business Days' irrevocable notice to Holders (such period the "**Early Redemption Notice Period**"), redeem all of the Securities of the relevant Series in whole, subject to General Condition 4 (*Payments*) and General Condition 5 (*Specified Early Redemption, Call Option and Put Option*), at their Early Termination Amount on the Early Cash Redemption Date.

Upon the occurrence of an FX Disruption Event, the Issuer shall give notice as soon as practicable to the Holders, stating the occurrence of the FX Disruption Event, giving details thereof and the action proposed to be taken in relation thereto.

### 13. **Local Jurisdiction Taxes and Expenses**

If "Local Jurisdiction Taxes and Expenses" is specified in the Final Terms as applicable in relation to any Securities:

- (i) the Issuer shall deduct from amounts payable to (or from any further Securities or other assets deliverable to) a Holder all Local Jurisdiction Taxes and Expenses, not previously deducted from amounts paid (or further Securities or assets delivered) to such Holder, as the Determination Agent shall determine are attributable to such Securities; or
- (ii) the Issuer may request that the Determination Agent determines, whether an appropriate adjustment can be made to the Conditions and any other provisions relating to the Securities to account for such Local Jurisdiction Taxes and Expenses. If the Determination Agent determines that such adjustment(s) can be made, the Issuer shall determine the effective date of such adjustment(s) and take the necessary steps to effect such adjustment(s). The Issuer shall notify Holders of any such adjustment(s), as soon as reasonably practicable after the nature and effective date of the adjustments are determined. If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result, it shall notify the Issuer of such determination and no adjustment(s) shall be made and paragraph (i) above shall apply to the Securities.

For the avoidance of doubt, the Issuer shall not be liable for any Local Jurisdiction Taxes and Expenses and Holders shall be liable to pay any Local Jurisdiction Taxes and Expenses attributable to their Securities, and, unless an adjustment is made in accordance with this General Condition 13, any such Local Jurisdiction Taxes and Expenses shall be deducted from the Cash Redemption Amount or any other amount payable to (or from any further Securities or other assets deliverable to) a Holder in respect of the Securities. This Local Jurisdiction Taxes and Expenses provision shall apply in addition to any other rights the Issuer may have in relation to Taxes, Settlement Expenses and/or Local Jurisdiction Taxes and Expenses as set out in the Conditions.

### 14. **Effect of Adjustments**

All determinations made by the Determination Agent pursuant to this Section D (*Equity Linked Conditions, Disruption Events And Taxes And Expenses*) shall be conclusive and binding on the Holders, the Issue and Paying Agent and the Issuer, except in the case of manifest error.

## E. **GENERAL PROVISIONS**

### 15. **Events of Default**

If any of the following events occurs and is continuing (each an "**Event of Default**") and unless the Event of Default shall have been cured by the Issuer prior to receipt of a notice from the Holders or Representative, as referred to below, a Holder may give notice to the Issuer (and the Issue and Paying Agent or Paying Agent, as applicable) that such Security is, and in all cases such Security shall become immediately due and payable at the Early Cash Settlement Amount:

- (i) the Issuer does not pay any Settlement Amount, Early Cash Settlement Amount or Early Termination Amount in respect of the Securities when the same is due and payable and such failure continues for 30 days; or

- (ii) the Issuer breaches any provision of such Securities and that breach has not been remedied within 30 calendar days of the Issuer having received notice thereof from Holders holding at least one tenth in outstanding number of the relevant Series demanding remedy; or
- (iii) an order is made or an effective resolution is passed for the winding-up of the Issuer (otherwise than in connection with a scheme of reconstruction, merger or amalgamation).

## 16. Agents

### 16.1 Appointment of Agents

The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right to vary or terminate the appointment of the Agents and to appoint additional or other Agents, provided that the Issuer shall at all times maintain:

- (a) an Issue and Paying Agent;
- (b) a Registrar and a Transfer Agent in relation to Registered Securities;
- (c) one or more Determination Agent(s) where these General Conditions so require;
- (d) Paying Agents having specified offices in at least two major European cities;
- (e) such other agents as may be required by any stock exchange on which the Securities may be listed;
- (f) to the extent not already satisfied pursuant to (d) or (e), in relation to Definitive Bearer Securities, a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (g) a French Issue and Paying Agent, so long as French Cleared Securities are outstanding, and in accordance with what the Relevant Rules require.
- (h) in the case of Securities in fully registered form (*au nominatif pur*) a Registration Agent.

Notice of any termination of appointment and of any changes to the specified office of any Agent will be given to Holders.

### 16.2 Determinations by the Determination Agent

The Determination Agent (which will be Barclays Bank PLC, unless otherwise specified in the Final Terms), may be required to make certain determinations, considerations, decisions and calculations pursuant to the Conditions. In all circumstances the Determination Agent shall make such determinations and calculations in good faith and in a commercially reasonable manner, and (save in the case of manifest or proven error) shall be final and binding on the Issuer, the Agents and the Holders.

### 16.3 Responsibility of the Issuer and the Agents

Neither the Issuer nor any Agent shall be held responsible for any loss or damage, resulting from any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott or lockout or any other similar event or circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts shall also apply if any of such parties itself take such measures or becomes the subject of such measures. Where the Issuer or any of the Agents is prevented from effecting payment due to such event, payment may be postponed until the time the event or circumstance impeding payment has ceased, and shall have no obligation to pay any additional amounts in respect of such postponement.

## 17. Taxation

The Issuer is not liable for, or otherwise obliged to pay amounts in respect of, any Taxes borne by a Holder. A Holder must pay all Taxes arising from or payable in connection with all payments relating to the Securities and all payments in respect of the Securities shall be made free and clear of, and without withholding or deduction for, any present or future Taxes of whatever nature imposed, levied, collected, withheld or assessed by or within the Bank Jurisdiction (or any authority or political subdivision thereof or therein having power to tax) unless such withholding or deduction is required by law.

In that event, the appropriate withholding or deduction shall be made and the Issuer shall pay such additional amounts ("**Additional Amounts**") as may be necessary in order that the net amounts receivable by the relevant Holder shall equal the respective amounts that would have been receivable by such Holder in the absence of such withholding or deduction. Notwithstanding the above, no Additional Amounts shall be payable with respect to any Security:

- (a) to, or to a third party on behalf of, a Holder who is liable for such Taxes in respect of such Securities by reason of his having a connection with the Bank Jurisdiction other than the mere holding of the relevant Security or Coupon; or
- (b) to, or to a third party on behalf of, a Holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Security or Coupon is presented for payment; or
- (c) where such withholding or deduction is imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (d) presented for payment more than 30 calendar days after the Relevant Date, except to the extent that the Holder would have been entitled to an Additional Amount on presenting such Security for such payment on the last day of such 30-day period; or
- (e) where such withholding or deduction is required by the rules of the US Internal Revenue Code 1986, as amended, (the "**Code**") sections 1471 through 1474 (or any amended or successor provisions) or pursuant to any agreement with the US Internal Revenue Service; or
- (f) (except in the case of Registered Securities) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Security or Coupon to another Paying Agent without such deduction or withholding; or
- (g) in relation to Definitive Bearer Securities, unless it is proved, to the satisfaction of the Issue and Paying Agent or the Paying Agent to whom the Security or Coupon is presented, that the Holder is unable to avoid such withholding or deduction by satisfying any applicable certification, identification or reporting requirements or by making a declaration of non-residence or other similar claim for exemptions to the relevant tax authorities.

The imposition of any withholding or deduction on any payments in respect of the Securities by or on behalf of the Issuer will be an "**Issuer Tax Event**" if such withholding or deduction is required by law.

## 18. Prescription

### 18.1 Prescription in relation to Securities

Claims for payment shall become void unless made within ten years of the appropriate Relevant Date.

## 19. Replacement of Securities

Should any Security in respect of any Series be lost, stolen, mutilated, defaced or destroyed, it may, subject to all applicable laws, regulations and any Relevant Stock Exchange or any other relevant authority requirements, be replaced at the specified office of the Issue and Paying Agent, in the case of Bearer Securities, or the Registrar, in the case of Registered Securities, or of such other Paying Agent or Transfer Agent, if the Issuer designates such and gives notice of the designation to Holders. The replacement of any Security shall be subject to payment by the claimant of the fees, expenses and Taxes incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer may require.

## 20. Early Redemption for Unlawfulness

If the Issuer determines that the performance of any of its obligations under the Securities has become unlawful, in whole or in part, as a result of (i) any change in financial, political or economic conditions or currency exchange rates, or (ii) compliance in good faith by the Issuer or any relevant subsidiaries or affiliates with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power or in interpretation thereof, the Issuer may, at its option, redeem or terminate the Securities.

If the Issuer redeems the Securities pursuant to this General Condition 20, then the Issuer will, if and to the extent permitted by applicable law, pay to each Holder in respect of each Security held by it, an amount equal to the Early Cash Settlement Amount.

## 21. Notices

### 21.1 To Holders

All notices to Holders will be deemed to have been duly given and valid:

- (a) in the case of Bearer Securities, if published in a daily newspaper of general circulation in England (which is expected to be the Financial Times) and will be deemed to have been given on the date of first publication; and/or
- (b) in the case of listed Securities, if given in accordance with the rules and regulations of the Relevant Stock Exchange or other relevant authority and will be deemed to have been given on the first date of transmission or publication; and/or
- (c) if publication pursuant to paragraph (a) or (b) above is not practicable, if published in another leading English language daily newspaper with circulation in Europe on the date of first publication; and/or
- (d) in the case of Registered Securities, if mailed to the relevant Holders of such Registered Securities at their respective designated addresses appearing in the Register and will be deemed delivered on the third weekday (being a day other than a Saturday or a Sunday) after the date of mailing; and/or
- (e) in the case of Cleared Securities, if given to the Relevant Clearing System provided that any publication or other requirements required pursuant to paragraph (b) above shall also be complied with if applicable. In such cases, notices will be deemed given on the first date of transmission to the applicable Relevant Clearing System; and/or
- (f) in the case of French Cleared Securities, if published in a daily newspaper of general circulation in France (which is expected to be *Les Echos*) and will be deemed to have been given on the date of first publication.

### 21.2 To the Issuer and the Agents

In respect of any Series, all notices to the Issuer and/or the Agents must be sent to the address specified for each such entity in the Agency Agreement or to such other person or place as shall be specified by the Issuer and/or the Agent by notice given to Holders. Any notice determined not to be valid, effective, complete and in proper form shall be null and void unless the Issuer and the

Relevant Clearing System. This provision shall not prejudice any right of the person delivering the notice to deliver a new or corrected notice. The Issuer, Operator, Paying Agent, Registrar or Transfer Agent shall use all reasonable endeavours promptly to notify any Holder submitting a notice if it is determined that such notice is not valid, effective, complete or in the proper form.

## 22. **Substitution**

The Issuer shall be entitled at any time, without the consent of the Holders, to substitute any other entity, the identity of which shall be determined by the Issuer, to act as issuer in respect of Securities then outstanding under the Programme (the "**New Bank Issuer**"), provided that (a) the New Bank Issuer's long-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least the same as Barclays Bank PLC's long-term rating at the date on which the substitution is to take effect or the New Bank Issuer has an equivalent long-term rating from another internationally recognised rating agency and (b) no Event of Default as set out in General Condition 15 (*Events of Default*) shall occur as a result thereof. Any such substitution shall take effect upon giving notice to the Holders of each Series then outstanding, the UK Listing Authority and any other Relevant Stock Exchange and the relevant Agents.

In the event of any such substitution, any reference in the Conditions to the Issuer shall be construed as a reference to the New Bank Issuer. In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Holders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Holder shall be entitled to claim from the Issuer or the New Bank Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Holder.

## 23. **Modifications and Meetings of Holders**

### 23.1 **Modifications without consent of Holders**

The Conditions of the Securities and/or the Agency Agreement and/or the Deed of Covenant may be amended by the Issuer in each case without the consent of the Holders if, in the reasonable opinion of the Issuer, the amendment (i) is of a formal, minor or technical nature, (ii) is made to correct a manifest or proven error or omission, (iii) is made to comply with mandatory provisions of the law of the Bank Jurisdiction (iv) is made to cure, correct or supplement any defective provision contained herein and/or (v) will not materially and adversely affect the interests of the Holders. Any such modification shall be binding on the Holders and any such modification shall take effect by notice to the Holders.

### 23.2 **Modifications requiring the consent of the Holders**

#### (a) **Consent by written resolution**

In addition to the powers described in paragraph (b) and paragraph (c) below, in order to modify and amend the Agency Agreement and the Securities (including the General Conditions), a resolution in writing signed by or on behalf of the Holders of not less than 90 per cent. in number of Securities at the time outstanding, shall be as effective as an Extraordinary Resolution duly passed at a meeting of Holders of Securities of the relevant Series. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders. Any such resolution shall be binding on all Holders of Securities of that Series, whether signing the resolution or not.

#### (b) **Majority Consent**

Subject as provided in paragraph (c) below, the Agency Agreement contains provisions for convening meetings of the Holders to consider any matter affecting their interests, including the amendment of the Agency Agreement and/or of any of the Conditions relating to a Series.

Such a meeting may be convened by the Issuer or Holders holding not less than 10 per cent. in aggregate number of the Securities at the time outstanding. At least 21 calendar days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the meeting shall be given to Holders.

- (a) Except for the purposes of passing an Extraordinary Resolution, two or more persons holding or representing a clear majority in number of the Securities held or represented shall be a quorum. Any such resolution duly passed shall be binding on all Holders of Securities of that Series, whether present or not.

(c) **Consent by Extraordinary Resolution**

An Extraordinary Resolution will need to be passed in respect of any of the following modifications:

- (i) to reduce or cancel the number of, or any premium payable on exercise of, the Securities,
- (ii) if a Minimum Tradable Amount is specified in the Final Terms, to reduce any such minimum,
- (iii) to vary any method of, or basis for, calculating any Settlement Amount (other than as provided for in the Conditions),
- (iv) to vary the currency or currencies of payment of the Securities or
- (v) to modify the provisions concerning the quorum required at any meeting of Holders or the majority required to pass the Extraordinary Resolution.

The quorum required to pass an Extraordinary Resolution shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in number for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all the Holders, regardless of whether they are present at the meeting, save for those Securities that have not been redeemed but in respect of which an Option Exercise Notice shall have been delivered as described in General Condition 5 (*Specified Early Redemption, Call Option and Put Option*) prior to the date of the meeting (provided that such Securities will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Holders

The Holder of a Permanent Global Security shall (unless such Permanent Global Security represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Holders and, at any such meeting, the Holder of a Permanent Global Security shall be treated as having one vote in respect of each integral currency unit of the Issue Currency of the Security.

24. **Further Issues**

The Issuer shall be at liberty from time to time, without the consent of the Holders to create and issue further Securities so as to form a single Series with the Securities of any particular Series.

25. **Purchases and Cancellations**

The Issuer and any of its subsidiaries may at any time purchase Securities in the open market or otherwise at any price.

All Securities so purchased may be held, surrendered for cancellation, or reissued or resold, and Securities so reissued or resold shall for all purposes be deemed to form part of the original Series of Securities, all in accordance with applicable laws and regulations.

26. **Governing Law and Jurisdiction**

26.1 **Governing Law**

- (a) The Securities and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.
- (b) Dutch law will govern the constitution of the Dutch Securities (including their form).

26.2 **Jurisdiction**



The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Securities and accordingly any legal action or proceedings arising out of or in connection with them.

27. **Severability**

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not be affected in any way.

28. **Contracts (Rights of Third Parties) Act 1999**

In respect of any Securities which are governed by English law, no person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999.

29. **Definitions and Interpretation**

29.1 **Definitions**

In these General Conditions, unless the context otherwise requires, the following terms shall have the respective meanings set out below:

"**Account Bank**" means, in relation to a payment denominated in a particular currency, a bank in the principal financial centre for such currency as determined by the Determination Agent or, where the relevant payment is denominated in euro, in a city in which banks have access to the TARGET System.

"**Additional Business Centre**" means each centre specified in the Final Terms.

"**Additional Disruption Event**" means, with respect to a Series of Securities:

- (a) each of a (i) Change in Law, (ii) Currency Disruption Event, (iii) Issuer Tax Event and (iv) Extraordinary Market Disruption;
- (b) in each case if specified as applicable in the Final Terms: (i) Hedging Disruption, (ii) Increased Cost of Hedging, (iii) Affected Jurisdiction Hedging Disruption, (iv) Affected Jurisdiction Increased Cost of Hedging, (v) Increased Cost of Stock Borrow, (vi) Loss of Stock Borrow, (vii) Fund Disruption Event, (viii) Foreign Ownership Event, (ix) Insolvency Filing and (x) Change in Law- Hedging;
- (c) an Index Adjustment Event if so designated by the Determination Agent in accordance with General Condition 8.2 (*Merger Events, Nationalisation, Insolvency, Delisting and Tender Offers*); and
- (d) each of a (i) Merger Event, (ii) Nationalisation, (iii) Insolvency, (iv) Delisting and (v) Tender Offer.

"**Affected Jurisdiction**" means the jurisdiction of the Hedge Positions as specified in the Final Terms.

"**Affected Jurisdiction Hedging Disruption**" means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to either (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Securities or (b) freely realise, recover, receive, repatriate, remit or transfer the proceeds of Hedge Positions or the Securities between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

"**Affected Jurisdiction Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire,

establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Securities, or (b) realise, recover or remit the proceeds of Hedge Positions or the Securities between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction.

"**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.

"**Agency Agreement**" has the meaning given to it in Section A: (INTRODUCTION) of the General Conditions.

"**Agents**" has the meaning given to it in Section A: (INTRODUCTION) of the General Conditions.

"**Announcement Date**" means (a) in respect of a Merger Event or Nationalisation or Delisting, the date of the first public announcement of a firm intention, in the case of a Merger Event, to merge or to make an offer and, in the case of a Nationalisation, to nationalise (whether or not amended or on the terms originally announced) and, in the case of a Delisting, the date of the first public announcement by the Exchange that the relevant shares will cease to be listed, traded or publicly quoted that leads to the Merger Event or the Nationalisation or Delisting, as the case may be and (b) in respect of an Insolvency, the date of the first public announcement of the termination, dissolution or institution of a proceeding, presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, in each case as determined by the Determination Agent.

"**Bank Jurisdiction**" means, at any time, the jurisdiction of incorporation of the Issuer or any New Bank Issuer substituted therefore in accordance with General Condition 22 (*Substitution*).

"**Banking Day**" means, in respect of any city, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in that city.

"**Bearer Securities**" has the meaning given to it in General Condition 1.1(a) (*Form of Securities*).

"**Borrow Cost**" means in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the cost to borrow the relevant Share that would be incurred by a third-party market participant borrowing such Shares, as determined by the Determination Agent, on the relevant date of determination. Such costs shall include (a) the spread below the applicable floating rate of return that would be earned on collateral posted in connection with such borrowed Shares, net of any costs or fees, and (b) any stock loan borrow fee that would be payable for such Shares, expressed as fixed rate per annum.

"**Business Day**" means a day which is each of:

- (a) a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, (in respect of French Cleared Securities) Paris and any Additional Business Centre;
- (b) in respect of Cleared Securities, a Clearing System Business Day for the Relevant Clearing System;
- (c) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant currency (if other than London) and any Additional Business Centre specified in the Final Terms;
- (d) in relation to any sum payable in euro, a TARGET Business Day; and

**"Business Day Convention"** means any of the conventions specified in General Condition 3.4 (*Business Day Convention*).

**"C Rules"** means the requirements under US Treasury Regulation section 1.163-5(c)(2)(i)(C).

**"CGN Form"** has the meaning given to it in General Condition 1.1(d) (*Initial Issue of Global Securities*).

**"Change in Law"** means that, on or after the Trade Date (i) due to the adoption or announcement of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in or public announcement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

- (a) it is unable to perform its obligations under the Securities, in whole or in part, or
- (b) where 'Change in Law – Hedging' is specified to be applicable in the Final Terms:
  - (i) it has, or it will, become illegal for the Issuer and/or any of its affiliates to hold, acquire, or dispose of or otherwise deal in the Hedge Positions,
  - (ii) the Issuer or any of its Affiliates will incur a materially increased cost in performing their obligations under such Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on their tax position), or

the Issuer considers that the cost of capital on the Securities and/or related Hedge Positions is a fundamental element of the economics of the Securities and the Issuer and/or any of its Affiliates would be subject to materially less favourable regulatory capital treatment on the Securities or its related Hedge Positions, than was the position on the Trade Date.

**"Cleared Securities"** means any Securities that are Global Securities held by a Common Depository, Common Safekeeper or custodian for, or registered in the name of a nominee of, a Relevant Clearing System.

**"Clearing System Business Day"** means, in respect of a Relevant Clearing System, any day on which such Relevant Clearing System is open for the acceptance and execution of settlement instructions.

**"Clearstream"** means Clearstream Banking, société anonyme and any successor thereto.

**"Clearstream Rules"** means the Management Regulations of Clearstream and the Instructions to Participants of Clearstream, as may be from time to time amended, supplemented or modified.

**"Common Depository"** means, in relation to a particular Series of Securities, whether listed on any Relevant Stock Exchange or elsewhere, such common depository outside the United Kingdom and the United States (and the possessions of the United States) as shall be specified in the Final Terms with respect to such Series of Securities.

**"Common Safekeeper"** has the meaning given to it in General Condition 1.1(d) (*Initial Issue of Global Securities*).

**"Component"** means, in relation to an Index, any share, security or other component which comprises such Index;

**"Conditions"** has the meaning given to it in the opening italicised paragraph of the General Conditions.

**"Currency Disruption Event"** means, with respect to a Series of Securities, the occurrence or official declaration of an event impacting one or more currencies that the Issuer determines would materially disrupt or impair its ability to meet its obligations in the Settlement Currency or otherwise

settle, clear, or hedge such Series of Securities.

"**D Rules**" means the requirements under US Treasury Regulation section 1.163-5(c)(2)(i)(D).

"**Deed of Covenant**" has the meaning given to it by Section A: INTRODUCTION.

"**Definitive Bearer Securities**" has the meaning given to it in General Condition 1.1(a) (*Form of Securities*).

"**Definitive Registered Securities**" has the meaning given to it in General Condition 1.1(a) (*Form of Securities*).

"**Definitive Securities**" has the meaning given to it in General Condition 1.1(a) (*Form of Securities*).

"**Delisting**" means, in respect of any Shares, that the relevant Exchange announces that, pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately relisted, retraded or requoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

"**Determination Agent**" has the meaning given to it in Section A: INTRODUCTION to the General Conditions.

"**Disrupted Day**" means:

- (a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred; and
- (b) with respect to any Multi-exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index, (ii) the Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred.

"**Distribution Compliance Period**" means the period that ends 40 calendar days after the completion of the distribution of each Series of Securities, as certified by the relevant Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issue).

"**Dutch Securities**" means Securities issued in the form of Global Registered Securities which will be delivered to, registered in the name of, and cleared through the Dutch Central Securities Depository Euroclear Netherlands (as specified in the relevant Final Terms), in accordance with all applicable Dutch laws, regulations and rules. Dutch Securities will not be issued in definitive form.

"**Early Cash Redemption Date**" means the date specified as such in the notice given to Holders in accordance with General Condition 11 (*Early Redemption or Adjustment following an Additional Disruption Event*).

"**Early Cash Settlement Amount**" means, on any day:

- (a) if "Par" is specified in the Final Terms, an amount in the Issue Currency equal to the Issue Price; or
- (b) if "Market Value" is specified as applicable in the Final Terms, an amount in the Issue Currency equal to the market value of a Security following the event triggering the early redemption. Such amount shall be determined by the Determination Agent in a commercially reasonable manner on or as soon as reasonably practicable following the event giving rise to the early redemption of the Securities and by reference to such factors as the Determination Agent considers in good faith to be appropriate including, without limitation:

- (I) market prices or values for the Underlying Asset and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;
- (II) the value at the relevant time of any principal protection which would have been applicable had the Securities remained outstanding to scheduled maturity and/or any scheduled early redemption date;
- (III) internal pricing models; and
- (IV) prices at which other market participants might bid for securities similar to the Securities.

**"Early Closure"** means:

- (a) except with respect to a Multi-exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of an Index Linked Security, any relevant Exchange(s) relating to Components that comprise 20 per cent or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or any 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; and
- (b) with respect to any Multi-exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time, unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

**"Early Termination Amount"** means an amount in the Issue Currency equal to the market value of such Security following the event triggering the early redemption. Such amount shall be determined by the Determination Agent in a commercially reasonable manner on or as soon as reasonably practicable following the event giving rise to the early redemption of the Securities and by reference to such factors as the Determination Agent considers in good faith to be appropriate including, without limitation, (if applicable to the Securities):

- (a) market prices or values for the Underlying Asset and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;
- (b) the remaining life of the Securities had they remained outstanding to scheduled maturity;
- (c) the value at the relevant time of any principal protection which would have been applicable had the Securities remained outstanding to scheduled maturity and/or any scheduled early redemption date;
- (d) internal pricing models; and
- (e) prices at which other market participants might bid for securities similar to the Securities,

provided that the Determination Agent may adjust such amount to take into account any costs, losses and expenses, including Local Market Expenses, which are incurred by the Issuer or its Affiliates in connection with such early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs.

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

**"Euroclear"** means Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II B-1210, Brussels, Belgium or any successor thereto.

**"Euroclear France"** means Euroclear France S.A., 115 rue Réaumur, F-75081 Paris-CEDEX 02, France or any successor or replacement thereto.

**"Euroclear Netherlands"** means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., Herengracht 459-469, 1017 BS Amsterdam, The Netherlands or any successor or replacement thereto.

**"Euroclear Netherlands Rules"** means the terms and conditions governing the use of Euroclear Netherlands and the operating procedures of Euroclear Netherlands, as may be amended, supplemented or modified from time to time.

**"Euroclear Rules"** means the terms and conditions governing the use of Euroclear and the operating procedures of Euroclear, as may be amended, supplemented or modified from time to time.

**"NYSE Euronext Amsterdam"** means the regulated market of Euronext Amsterdam, which is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC)

**"Euronext Amsterdam"** means Euronext Amsterdam N.V., Beursplein 5, 1012 JW Amsterdam, The Netherlands

**"Eurozone"** means the region comprising of member states of the European Union that have adopted the euro as the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

**"Event of Default"** means each of the events set out in General Condition 15 (*Events of Default*).

**"Exchange"** means:

- (a) in respect of an Index relating to Index Linked Securities: (i) which is not a Multi-exchange Index, each exchange or quotation system specified as such for such Index in the Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying such Index has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to the Components underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange; and (ii) which is a Multi-exchange Index, the principal stock exchange(s) on which any Component of such Index is principally traded, as determined by the Determination Agent; and
- (b) in respect of a Share relating to Share Linked Securities, each Exchange or quotation system specified as such for such Share in the Final Terms, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange.

**"Exchange Business Day"** means:

- (c) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which each Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time; and
- (d) with respect to a Multi-exchange Index, any Scheduled Trading Day on which: (i) the Index Sponsor publishes the level of the Index; and (ii) each Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time.

**"Exchange Date"** means, in relation to a Temporary Global Security, the calendar day falling after the expiry of 40 calendar days after its issue date and, in relation to a Permanent Global Security, a

calendar day falling not less than 60 calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issue and Paying Agent is located and (if applicable) in the city in which the Relevant Clearing System is located.

**"Exchange Disruption"** means:

- (e) except with respect to a Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange (or, in the case of Index Linked Securities, on any relevant Exchange(s) relating to Components 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 and options contracts relating to the Components of the relevant Index on any relevant Related Exchange; and
- (f) with respect to any Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component on the Exchange in respect of such Component; or (ii) futures or options contracts relating to the Index on the Related Exchange.

**"Exchange Event"** means in respect of (i) Cleared Securities, that the Issuer has been notified that any Relevant Clearing System has permanently ceased doing business and no successor clearing system is available, and (ii) Global Securities that are not Cleared Securities, that the Issuer has failed to make any payment of principal when due.

**"Expenses"** means, all taxes, duties and/or expenses, including any applicable depository charges, transaction charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the redemption of such Security.

**"Extraordinary Event"** means each of a Merger Event, Tender Offer, Nationalisation, Insolvency Filing, Insolvency, Delisting, Fund Disruption Event or the Share is otherwise cancelled or an announcement has been made for it to be cancelled for whatever reason, as the case may be, (together the **"Extraordinary Events"**).

**"Extraordinary Market Disruption"** means, on or after the Trade Date, an extraordinary event or circumstance, including any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), a natural disaster, an act of war, strike, blockade, boycott or lockout or any other similar event or circumstance which the Issuer determines has prevented it from performing its obligations, in whole or in part, under the Securities.

**"Extraordinary Resolution"** means a resolution passed in accordance with the Agency Agreement relating to the relevant Securities.

**"Final Settlement Cut-off Date"** means the Specified Early Cash Redemption Date or Optional Cash Redemption Date, as applicable.

**"Final Terms"** means, with respect to a Series of Securities, the Final Terms specified as such for such Securities.

**"Foreign Ownership Event"** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to hold, acquire, establish, re-establish, substitute or maintain any Hedge Positions, due to any foreign ownership restriction imposed by the issuer of and/or counterparty to such Hedge Positions, or any court, tribunal or regulatory authority having competent jurisdiction with respect to the ability of the Issuer and/or any of its Affiliates to hold, acquire, maintain or own such Hedge Positions.

**"French Cleared Securities"** means Securities issued in dematerialised bearer form (*au porteur*) or registered form (*au nominatif*) and deposited with Euroclear France as central depository.

**"FSMA"** means the Financial Services and Markets Act 2000, as amended from time to time.

**"Fund Disruption Event"** means any of the following:

- (a) the relevant Shares are reclassified or the Share Company is acquired by, or aggregated into, another fund, depositary bank, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement whose mandate, risk-profile and/or benchmarks are different from the mandate, risk-profile and/or benchmark of the Share Company as stated as at the Trade Date;
- (b) there is a material change in the Share Company, the constitutional documents of the Share Company or the mandate, risk profile, investment guidelines or objectives or dealing terms of the Share Company as stated as at the Trade Date (including without limitation any change in the type of assets in which the relevant Share Company invests or the level of embedded leverage);
- (c) there is a material breach of the constitutional documents of the Share Company or the investment, borrowing or stock lending restrictions of the Share Company;
- (d) the director, trustee and/or investment manager of the Share Company, in accordance with the provisions of the constitutional documents of the Share Company, requires the Issuer to redeem or transfer such Shares held by the Issuer or its Affiliates;
- (e) the currency denomination of the Shares is amended in accordance with the constitutional documents of the Share Company;
- (f) any change in the regulatory or tax treatment applicable to the Share Company or the Shares, as applicable, which could have a negative effect on the Issuer or its Affiliates if it were the holder of such Shares;
- (g) the activities of the Share Company, its directors, the trustee and/or the investment manager of the Share Company or any service provider of the Share Company becomes subject to (i) any investigation, review, proceeding or litigation for reasons of any alleged wrongdoing, breach of any rule or regulation or other similar reason, or (ii) any disciplinary action is taken in respect of such Share Company, its directors, trustee and/or investment manager of the Share Company or service providers (including without limitation the suspension or removal of any requisite approval or licence), in each case by any governmental, legal, administrative or regulatory authority;
- (h) a change in national, international, financial, political or economic conditions or currency exchange rate or exchange controls;
- (i) a material change or prospective material change in the size, nature, management or frequency of trading of the Shares or any other characteristics of the Share Company;
- (j) the occurrence or existence of any event, circumstance or cause beyond the control of the Issuer that has had or would be expected to have a material adverse effect on (i) the Hedge Positions of the Issuer and/or its Affiliates or their ability to hedge their positions or (ii) the cost which the Issuer and/or its Affiliates incurs in hedging its position, in each case with respect to the Share Company;
- (k) a change in the operation, organisation or management of any Share Company (including without limitation any change to the services providers of the Share Company) which the Determination Agent considers to have a material effect on the Securities or on the Issuer (including the Issuer's hedging risk profile or ability to effectively hedge its liability under the Securities);
- (l) in relation to the events in paragraphs (a) to (f) above, there is an announcement by or on behalf of the Share Company or by the Exchange that such an event will occur; or
- (m) an illegality occurs or the relevant authorisation or licence is revoked in respect of the directors, the trustee and/or the investment manager of the Share Company and/or the Share Company.



**"Futures or Options Exchange"** means the relevant exchange in options or futures contracts on the relevant Share or the relevant Index, as the case may be, as determined by the Determination Agent.

**"FX Disruption Event"** means:

- (a) the determination by the Determination Agent of the occurrence of any event on or prior to the relevant Payment Date that has or would have the effect of preventing or delaying the Issuer and/or any of its Affiliates directly or indirectly from:
  - (i) converting the Specified Currency into the Settlement Currency through customary legal channels;
  - (ii) converting the Specified Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in the Specified Jurisdiction;
  - (iii) delivering the Settlement Currency from accounts inside the Specified Jurisdiction to accounts outside the Specified Jurisdiction or between accounts inside the Specified Jurisdiction or to a party that is a non-resident of the Specified Jurisdiction; or
  - (iv) delivering the Specified Currency from accounts inside the Specified Jurisdiction to accounts outside the Specified Jurisdiction or between accounts inside the Specified Jurisdiction or to a party that is a non-resident of the Specified Jurisdiction; or
- (b) the Determination Agent determines that the government of the Specified Jurisdiction has given public notice of its intention to impose any capital controls which the Determination Agent determines are likely to materially affect the Issuer's ability to hedge its obligations with respect to the Securities, maintain such hedge or to unwind such hedge.

**"GBP"**, **"sterling"** and **"£"** each means pounds sterling the lawful currency of the United Kingdom.

**"Global Bearer Securities"**, has the meaning given to it in General Condition 1.1(a) (*Form of Securities*).

**"Global Registered Securities"**, has the meaning given to it in General Condition 1.1(a) (*Form of Securities*).

**"Global Securities"**, has the meaning given to it in General Condition 1.1(a) (*Form of Securities*).

**"Hedge Positions"** means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by the Issuer or any of its Affiliates in order to hedge individually, or on a portfolio basis, the Issuer's obligations in respect of the Securities.

**"Hedging Disruption"** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Series, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**"Hedging Shares"** means the Number of Shares (in the case of Share Linked Securities) or Components comprised in any Index (in the case of Index Linked Securities) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities.

**"Holder"** has the meaning given to it in General Condition 1.4(a) (*Title to Securities (other than Dutch Securities)*).

**"Increased Cost of Hedging"** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax,

duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Series, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

**"Increased Cost of Stock Borrow"** means that the Borrow Cost to borrow any Share (in the case of Share Linked Securities) or any component comprised in an Index (in the case of Index Linked Securities) has increased above the Initial Stock Loan Rate.

**"Index"** means an index (including, but not limited to, a proprietary index created by the Issuer or an associate of the Issuer) specified in the Final Terms.

**"Index Linked Security"** means a Security, payments in respect of which will be contingent on and/or calculated by reference to an Index.

**"Index Sponsor"** means, in relation to an Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to such Index.

**"Initial Price"** means the price of the Underlying Asset specified in the Final Terms.

**"Initial Stock Loan Rate"** means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the initial stock loan rate specified in relation to such Share or Component in the Final Terms; or if none is specified in the Final Terms, the Borrow Cost on the Trade Date for such Share or Component.

**"Insolvency"** means, by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution, termination or winding-up of, or any analogous proceeding affecting, a Share Company, (a) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (b) the holders of the Shares of that Share Company become legally prohibited from transferring them or (c) the Share Company is dissolved, terminated or ceases to exist, as the case may be.

**"Insolvency Filing"** means that a Share Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, or it has a resolution passed or an announcement published for its dissolution or termination, or it has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by a creditor and such proceeding is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof.

**"Issue and Paying Agent"** has the meaning given to it in Section A: INTRODUCTION of the General Conditions.

**"Issue Currency"** means the currency specified as such in the applicable Final Terms.

**"Issue Date"** means the date specified in the Final Terms.

**"Issue Price"** means the price specified in the Final Terms, calculated on the basis of the Initial Price of the Underlying Asset.

**"Issuer"** means Barclays Bank PLC.

**"Issuer Tax Event"** has the meaning given to it in General Condition 17 (*Taxation*).

**"Local Jurisdiction Taxes and Expenses"** means in respect of each Security, Local Market Expenses and all present, future or contingent Taxes, together with interest, additions to Taxes or penalties, which are (or may be) or were (or may have been) withheld or payable or otherwise incurred under the laws, regulations or administrative practices of the jurisdiction of any Share (in the case of Share Linked Securities) or any Component comprised in an Index (in the case of Index Linked Securities) (the **"Local Jurisdiction"**) or any other state (or political sub-division or authority thereof or therein) in respect of:

- (a) the issue, transfer, redemption, unwind or enforcement of the Securities;
- (b) any payment (or delivery of Securities or other assets) to such Holder;
- (c) a person (not resident in the Local Jurisdiction) or any of its or its agent's Shares (in the case of Share Linked Securities) or any Component comprised in an Index (in the case of Index Linked Securities) or any rights, distributions or dividends appertaining to any such Share (in the case of Share Linked Securities) or any such Component (in the case of Index Linked Securities) (had such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of Shares (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities) in such a number as the Determination Agent, in a commercially reasonable manner, may determine to be appropriate as a hedge or related trading position in connection with the Securities); or
- (d) any of the Issuer's (or any Affiliates) other hedging arrangements in connection with the Securities.

**"Local Market Expenses"** means (a) all costs, charges, fees, accruals, withholdings and expenses incurred in the local market of the relevant Underlying Asset or any Hedge Position, and (b) all costs, losses and expenses incurred as a result of any foreign exchange suspension or settlement delays or failures in the local market of the relevant Underlying Asset or any Hedge Position. In determining such Local Market Expenses, the Determination Agent may take into account (i) the amount and timing of payments that the Issuer or its Affiliates (as the case may be) would receive under its Hedge Position(s), (ii) whether the Hedge Positions include illiquid or non-marketable assets (which may be valued at zero) or synthetic hedges (where the mark-to-market may be zero or in-the-money to the relevant counterparty to the Hedge Positions) and (iii) whether the Issuer or its Affiliates would be subject to contingent liabilities, including any requirement to return any distributions or otherwise make any payments.

**"London Stock Exchange"** means London Stock Exchange plc.

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share (in the case of Share Linked Securities) or any Components comprised in an Index (in the case of Index Linked Securities) in an amount equal to the Hedging Shares at a Borrow Cost equal to or less than the Maximum Stock Loan Rate.

**"Manager"** means the Issuer or Barclays Capital Inc., or such other entity as specified in the Final Terms.

**"Market Disruption Event"** means:

- (a) except with respect to a Multi-exchange Index, the occurrence or existence of:
  - (i) 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;
  - (ii) 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;
  - (iii) an Early Closure; or
  - (iv) any event, which the Determination Agent determines is material, which disrupts or impairs the ability of the Issuer or of any market participants to effect transactions

in, or obtain market values for, futures, options or derivatives contracts relating to the Underlying Asset (including any proprietary index created by the Issuer or an associate of the Issuer);

- (b) with respect to a Multi-exchange Index, the occurrence or existence, in respect of any Component, of:
- (i) a Trading Disruption in respect of such Component, 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 is principally traded;
  - (ii) an Exchange Disruption in respect of such Component, 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 is principally traded; or
  - (iii) an Early Closure in respect of such Component.
- (c) In all cases, the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (i) a Trading Disruption; (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, in each case in respect of such futures or options contracts.

In addition, for the purposes of determining whether a Market Disruption Event exists in respect of an Index which is not a Multi-exchange Index at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that security to (y) the overall level of such Index, in each case immediately before the Market Disruption Event occurred.

**"Maximum Stock Loan Rate"** means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the rate specified in the Final Terms, or if none is specified in the Final Terms, the Initial Stock Loan Rate.

**"Merger Date"** means, in respect of a Merger Event, the date upon which all holders of the relevant Shares (other than, in the case of a takeover offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares.

**"Merger Event"** means, in respect of any relevant Shares, any:

- (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent or more of such Shares outstanding;
- (b) consolidation, amalgamation, merger or binding share exchange of the Share Company with or into another entity (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which results in a reclassification or change of less than 20 per cent of the relevant Shares outstanding);
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity for such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent or more of such Shares (other than such Shares owned or controlled by the offeror); or
- (d) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding, but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent of the outstanding Shares immediately following such event.

**"Minimum Tradable Amount"** means the amount specified in the Final Terms.

**"Multi-exchange Index"** means any Index specified as such in the Final Terms.

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

**"New Bank Issuer"** has the meaning given to it in General Condition 22 (*Substitution*).

**"NGN Form"** has the meaning given to it in General Condition 1.1(d) (*Initial Issue of Global Securities*).

**"NSS"** has the meaning given to it in General Condition 1.1(d) (*Initial Issue of Global Securities*).

**"Number of Securities"** means the number specified in the Final Terms.

**"Paying Agents"** has the meaning given to it in Section A: (INTRODUCTION) of the General Conditions.

**"Payment Date"** means a day on which a payment is due in respect of the Securities.

**"Permanent Global Security"** has the meaning given to it in General Condition 1.2(a) (*Exchanges of Global Securities (other than French Cleared Securities)*).

**"Potential Adjustment Event"** means any of the following or a declaration by the Share Company of the terms of any of the following:

- (a) a subdivision, consolidation or reclassification of the relevant Shares (other than a Merger Event) or a free distribution or dividend of any such Shares to existing holders of the relevant Shares by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) additional Shares, (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of dissolution, liquidation or termination of the Share Company equally or proportionately with such payments to holders of such Shares, (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (c) an amount per Share which the Determination Agent determines should be characterised as an extraordinary dividend;
- (d) a call by the Share Company in respect of the relevant Shares that are not fully paid;
- (e) a repurchase by the Share Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of the Share Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides, upon the occurrence of certain events, for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

**"Programme"** means the Global Structured Securities Programme as defined in, established by and contemplated in the Agency Agreement, as the same may be from time to time amended, supplemented or modified.

**"Record Date"** means, in relation to a payment under a Registered Security, the fifteenth calendar day (whether or not such fifteenth calendar day is a Business Day) before the relevant due date for such payment, except that, with respect to Cleared Securities that are represented by a Global Registered Security, it shall be the Clearing System Business Day immediately prior to the due date for payment.

**"Register"** means, with respect to any Registered Securities, the register of holders of such Securities maintained by the applicable Registrar.

**"Registrar"** has the meaning given to it in Section A: INTRODUCTION of the General Conditions.

**"Registration Agent"** means the party specified in the Final Terms.

**"Regulation S Global Security"** means a Regulation S Security in global form.

**"Related Exchange"** means, subject to the below, in respect of an Underlying Asset, each exchange or quotation system specified as such for such Underlying Asset in the Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Underlying Asset has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Underlying Asset on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that, where "All Exchanges" is specified as the Related Exchange in the Final Terms, "Related Exchange" shall mean 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 Underlying Asset.

**"Relevant Clearing System"** means, as appropriate, Euroclear, Clearstream, Euroclear Netherlands and/or Euroclear France, as the case may be, through which interests in Securities are to be held and/or through an account at which such Securities are to be cleared.

**"Relevant Date"** means, in respect of any Security, the date on which payment in respect of it first becomes due (or would have first become due if all conditions to settlement had been satisfied) or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date five calendar days after that on which notice is duly given to the Holders that, upon further presentation of the Security being made in accordance with these General Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

**"Relevant Rules"** means the Clearstream Rules, the Euroclear Rules, the Euroclear Netherlands Rules, and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System, as updated from time to time.

**"Relevant Settlement Day"** means a Clearing System Business Day and a Scheduled Trading Day.

**"Relevant Stock Exchange"** means, in respect of any Series, the stock exchange upon which such Securities are listed, being the principal stock exchange of France, Luxembourg or The Netherlands, as specified in the Final Terms.

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

**"Scheduled Trading Day"** means:

- (a) except with respect to a Multi-exchange Index, any day on which each Exchange and each Related Exchange are scheduled to open for trading for their respective regular trading

sessions, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day; and

- (b) with respect to any Multi-exchange Index, any day on which (i) the relevant Index Sponsor is scheduled to publish the level of the relevant Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is scheduled to be open for trading for its regular trading session on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is not scheduled to be open for trading for its regular trading session on that day.

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

**"Securities Act"** means the United States Securities Act of 1933, as amended.

**"Security"** or **"Securities"** means any Certificates which may from time to time be issued under the Programme in accordance with the terms of this Base Prospectus. Unless the context otherwise requires, any reference to "Security" shall be deemed to refer to a single Certificate.

**"Security Settlement Cut-off Date"** has the meaning given to it in General Condition 5.2 (*Redemption of Open-ended Turbo Securities*).

**"Series"** means the Securities of each original issue together with the Securities of any further issues expressed to be consolidated to form a single Series with the Securities of an original issue.

**"Settlement Amount"** means the Optional Cash Redemption Amount, the Early Cash Settlement Amount or the Specified Early Cash Settlement Amount, as applicable.

**"Settlement Currency"** means the currency specified in the Final Terms.

**"Settlement Expenses"** means, in respect of any Security or Securities, any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by a Holder per Security on or in respect of or in connection with the redemption or settlement of such Security or Securities as determined by the Determination Agent in a commercially reasonable manner.

**"Settlement Number"** means, in respect of a Series of Securities, 180 unless otherwise specified in the Final Terms.

**"Share"** means, in relation to a Security, a share, a unit, a depositary receipt, an interest or an equity unit to which such Security relates.

**"Share Company"** means the company, the depositary bank, the fund, the pooled investment vehicle, the collective investment scheme, the partnership, the trust or other legal arrangement that has issued or gave rise to the relevant Share.

**"Share Linked Security"** means a Security, payments in respect of which will be contingent on and/or calculated by reference to one or more Shares.

**"Specified Currency"** means the currency or currencies specified in the Final Terms.

**"Specified Jurisdiction"** means the jurisdiction specified in the Final Terms, provided that if the Specified Currency is specified to be euro in the Final Terms, Specified Jurisdiction is to mean any of the Eurozone countries.

**"Substitute Assets"** has the meaning given to it in General Condition 5.1(c) (*Redemption of Open-ended Mini Securities – Put Option*).

"**Successor**" means, in relation to any Agent or such other or further person as may from time to time be appointed by the Issuer in respect of Securities, the person identified as the successor to such Agent or other person by the Determination Agent (or, if the successor relates to the Determination Agent, the Issuer). Notice of any Successor identified shall be given to Holders as soon as reasonably practicable after such identification.

"**TARGET Business Day**" means a day on which the TARGET System is operating.

"**TARGET System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 ("**TARGET2**") (or, if such system ceases to be operative, such other system (if any) determined by the Determination Agent to be a suitable replacement).

"**Taxes**" means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other taxes, duties, assessments or governmental charges of whatever nature chargeable or payable and includes any interest and penalties in respect thereof.

"**TEFRA**" means the US Tax Equity and Fiscal Responsibility Act of 1982.

"**Temporary Global Security**" has the meaning given to it in General Condition 1.2(a) (*Exchanges of Global Securities (other than French Cleared Securities)*).

"**Tender Offer**" means, in respect of a Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent and less than 100 per cent of the outstanding shares of the Share Company as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Determination Agent).

"**Trade Date**" means the date specified in the Final Terms.

"**Trading Disruption**" means:

- (a) except with respect to a Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to the Share on the Exchange or, in the case of an Index Linked Security, on any relevant Exchange(s) relating to any Component that comprise 20 per cent or more of the level of the relevant Index) or (ii) in futures or options contracts relating to the Share or the relevant Index on any relevant Related Exchange; and
- (b) with respect to any Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to any Component on the Exchange in respect of such Component or (ii) in futures or options contracts relating to the Index (or any Component thereof) on the Related Exchange.

For the avoidance of doubt, the following events shall be deemed to be a suspension or limitation of trading for the purposes of a Trading Disruption, as determined by the Determination Agent: (i) a price change exceeding limits set by the relevant Exchange; (ii) an imbalance of orders; or (iii) a disparity in bid prices and ask prices.

"**Tranche**" has the meaning given to it in Section A: INTRODUCTION of the General Conditions.

"**Transfer Agents**" has the meaning given to it in Section A: INTRODUCTION of the General



Conditions.

"**Transfer Documentation**" means, for each Series, such documentation as is generally acceptable for settlement of the transfer of the Underlying Asset on any Related Exchange or through the Relevant Clearing System, including, without limitation, stock notes and/or stock transfer forms in the case of settlement on the London Stock Exchange.

"**Underlying Asset**" means, in relation to a Series, the Index or Share specified in the Final Terms (provided that where the Final Terms specify an Index, the Underlying Asset represents a notional investment in such Index with a notional investment size of one unit of Underlying Asset Currency per index point).

"**Underlying Asset Currency**" means the currency specified as such in the applicable Final Terms.

"**USD**", "**US\$**", "**\$**" and "**US Dollars**" each means United States dollars.

"**Wge**" means the Dutch Act on Giro Transfers of Securities (*Wet giraal effectenverkeer*), as amended from time to time.

## 29.2 Interpretation

- (a) Capitalised terms used but not defined in these General Conditions will have the meanings given to them in the Final Terms, the absence of any such meaning indicating that such term is not applicable to the Securities of the relevant Series.
- (b) A reference to a "person" in these General Conditions includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing.
- (c) A reference in these General Conditions to a provision of law is a reference to that provision as amended or re-enacted.
- (d) References in these General Conditions to a company or entity shall be deemed to include a reference to any successor or replacement thereto.

**PRO FORMA FINAL TERMS**

The Final Terms for each Series of Securities will include such of the following information as is applicable with respect to such Securities.



**BARCLAYS BANK PLC**

*(Incorporated with limited liability in England and Wales)*

[Up to] [ ] Securities pursuant to the Global Structured Securities Programme [(to be consolidated and to form a single series with the [ ] Securities due [ ], and issued on [ ] pursuant to the Global Structured Securities Programme (the "**Tranche [ ] Securities**")]  
Issue Price: [ ]

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Prospectus Directive and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Issuer**"). These Final Terms are supplemental to and should be read in conjunction with the GSSP Base Prospectus 11 dated [ ] 2013[, as supplemented on [ ]], which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Prospectus Directive. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and this Base Prospectus. A summary of the individual issue of the Securities is annexed to these Final Terms.

This Base Prospectus is available for viewing at [<http://www.bmarkets.com>] and during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in this Base Prospectus and not defined in this document shall bear the same meanings when used herein.

**Barclays**

**Final Terms dated [ ]**

**PART A – CONTRACTUAL TERMS*****Provisions relating to the Securities***

1. (a) Series: [ ]
- [(b) Tranche: [ ]]
- [The Securities shall be consolidated and form a single series with the Tranche [ ] Securities but shall not be fungible with the Tranche [ ] Securities until such time as the clearing systems recognise the Securities to be fungible with the Tranche [ ] Securities.]
2. Securities:
- (a) Number of Securities: [[Up to] [ ]]
- [Up to authorised number of Securities: [ ]]
- Initial issuance number of Securities as at the Issue Date: [ ]]
- (i) Series: [ ]
- (ii) Tranche: [ ]]
- (b) Minimum Tradable Amount: [ ] [Not Applicable]
3. Issue Price: [ ] per Security
- [The Issue Price includes a [commission element][fee] which will be no more than [ ]% of the Issue Price [and relates solely to the [initial design, arrangement and manufacture][custody] of the Securities by the Distributor]. Further details of the commission element are available upon request.]
4. Issue Date: [ ]
5. Issue Currency: [ ]
6. Settlement Currency: [ ]
7. Type of Security: [Open-ended Mini Long (Local)]
- (General Condition 5 (Redemption)) [Open-ended Mini Long (Currency Translated)]
- [Open-ended Mini Short (Local)]
- [Open-ended Mini Short (Currency Translated)]
- [Open-ended Mini Long (Quanto)]
- [Open-ended Mini Short (Quanto)]
- [Open-ended Turbo Long (Local)]
- [Open-ended Turbo Long (Currency Translated)]
- [Open-ended Turbo Short (Local)]

- [Open-ended Turbo Short (Currency Translated)]
- [Open-ended Turbo Long (Quanto)]
- [Open-ended Turbo Short (Quanto)]
- [Open-ended Tracker with Management Fee Drain (Local)]
- [Open-ended Tracker with Management Fee Drain (Currency Translated)]
- [Open-ended Tracker without Management Fee Drain (Local)]
- [Open-ended Tracker without Management Fee Drain (Currency Translated)]
- [Open-ended Tracker (Quanto) Type A]
- [Open-ended Tracker (Quanto) Type B]

***Provisions relating to the Underlying Asset***

8. (a) Share: [ ] [Not Applicable]
- [ (i) Initial Price [ ] [Not Applicable]
- (ii) Exchange[s]: [ ] [Not Applicable]
- (iii) Related Exchange[s]: [ ] [Not Applicable]
- (iv) Underlying Asset Currency: [ ] [Not Applicable]
- (v) Bloomberg Code: [ ] [Not Applicable]
- (vi) Reuters Code: [ ] [Not Applicable]
- (vii) Underlying Asset ISIN: [ ] [Not Applicable]
- (viii) Substitution: [Substitution of Shares – Standard]
- (General Condition [Substitution of Shares – ETF underlying]
- 8.3 (Substitution of [Not Applicable]
- Shares))
- (b) Index : [ ] [Not Applicable]
- [ (i) Initial Price [ ] [Not Applicable]
- (ii) Exchange[s]: [ ] [Multi-exchange Index: [ ] [Not Applicable]
- (iii) Related Exchange[s]: [ ] [All Exchanges] [Not Applicable]
- (iv) Underlying Asset Currency: [ ] [Not Applicable]
- (v) Bloomberg Code: [ ] [Not Applicable]

- (vi) Reuters Code:  [Not Applicable]
- (vii) Index Sponsor[s]:  [Not Applicable]

***Provisions relating to Open-ended Mini Securities***

*(General Condition 5.1 (Redemption of Open-ended Mini Securities))*

9. Provisions relating to Open-ended Mini Securities:  [Applicable]  [Not Applicable]
- (a) Reset Date: . The first Reset Date shall be  [the Issue Date]  [Not Applicable]
- (b) Initial Current Margin:  [Not Applicable]
- (c) Maximum Current Margin:  [Not Applicable]
- (d) Initial Financing Level:  [Not Applicable]
- (e) Financing Level Currency:  [Not Applicable]
- (f) Initial Quanto Hedging Charge Level:  [Not Applicable]
- (g) Quanto Reset Date: . The first Quanto Reset Date shall be  [the Issue Date]  [Not Applicable]
- (h) Dividends:  [Applicable]  [Not Applicable]
- (i) Dividend Participation:  [Not Applicable]
- (j) Specified Early Cash Redemption Date:  [As defined in the Conditions]  [Not Applicable]
- (k) Stop Loss Observation Start Date:  [Not Applicable]
- (l) Initial Stop Loss Level:  [Not Applicable]
- (m) Stop Loss Rounding Convention:  [[Upwards][Downwards] to the nearest Stop Loss Rounding Amount]  [Not Applicable]
- (n) Stop Loss Rounding Amount:  [Not Applicable]
- (o) Initial Stop Loss Premium Percentage:  [Not Applicable]
- (p) Minimum Stop Loss Premium Percentage:  [Not Applicable]
- (q) Maximum Stop Loss Premium Percentage:  [Not Applicable]
- (r) Optional Cash Redemption Date:  [As defined in the Conditions]  [Not Applicable]
- (s) Put Option Notice Month:  [Not Applicable]

- (t) Put Option Commencement Year: [ ] [Not Applicable]
- (u) Valuation Time: [ ] [As defined in the Conditions]
- (v) Security Ratio: [ ]
- (w) Settlement Number: [ ] [As defined in the Conditions]

***Provisions relating to Open-ended Turbo Securities***

*(General Condition 5.2 (Redemption of Open-ended Turbo Securities ))*

10. Provisions relating to Open-ended Turbo Securities: [Applicable] [Not Applicable]
- (a) Reset Date: [ ] . The first Reset Date shall be [ ] [the Issue Date] [Not Applicable]
- (b) Initial Current Margin: [ ] [Not Applicable]
- (c) Maximum Current Margin: [ ] [Not Applicable]
- (d) Initial Financing Level: [ ] [Not Applicable]
- (e) Financing Level Currency: [ ] [Not Applicable]
- (f) Initial Quanto Hedging Charge Level: [ ] [Not Applicable]
- (g) Quanto Reset Date: [ ] . The first Quanto Reset Date shall be [ ] [the Issue Date] [Not Applicable]
- (h) Dividends: [Applicable] [Not Applicable]
- (i) Dividend Participation: [ ] [Not Applicable]
- (j) Specified Early Cash Redemption Date: [ ] [As defined in the Conditions] [Not Applicable]
- (k) Specified Early Cash Settlement Amount: [ ] [As defined in the Conditions] [Not Applicable]
- (l) Knock-out Observation Start Date: [ ] [As defined in the Conditions] [Not Applicable]
- (m) Optional Cash Redemption Date: [ ] [As defined in the Conditions] [Not Applicable]
- (n) Put Option Notice Month: [ ] [Not Applicable]
- (o) Put Option Commencement Year: [ ] [Not Applicable]
- (p) Valuation Date: [ ] [As defined in the Conditions]
- (q) Valuation Time: [ ] [As defined in the Conditions]
- (r) Security Ratio: [ ]
- (s) Settlement Number: [ ] [As defined in the Conditions]

***Provisions relating to Open-ended Tracker Securities***

*(General Condition 5.3 (Redemption of Open-ended Tracker Securities ))*

11. Provisions relating to Open-ended Tracker Securities: [Applicable] [Not Applicable]
- (a) Initial Quanto Hedging Charge Level: [ ] [Not Applicable]
- (b) Initial Quanto Management Fee Level: [ ] [Not Applicable]
- (c) Maximum Quanto Management Fee Level: [ ] [Not Applicable]
- (d) Quanto Reset Date: [ ]. The first Quanto Reset Date shall be [ ] [the Issue Date] [Not Applicable]
- (e) Initial Management Fee: [ ] [Not Applicable]
- (f) Maximum Management Fee: [ ] [Not Applicable]
- (g) Optional Cash Redemption Date: [ ] [As defined in the Conditions] [Not Applicable]
- (h) Put Option Notice Month: [ ] [Not Applicable]
- (i) Put Option Commencement Year: [ ] [Not Applicable]
- (j) Valuation Time: [ ] [As defined in the Conditions]
- (k) Security Ratio: [ ]
- (l) Settlement Number: [ ] [As defined in the Conditions] ]

***Provisions relating to disruption events and taxes and expenses (General Condition 7)***

12. Additional Disruption Events:  
(General Condition 11 (Early Redemption or Adjustment following Additional Disruption Event))
- (a) Hedging Disruption: [Applicable] [Not Applicable]
- (b) Increased Cost of Hedging: [Applicable] [Not Applicable]
- (c) Affected Jurisdiction Hedging Disruption: [Applicable] [Not Applicable]
- Affected Jurisdiction: [ ] [Not Applicable]
- (d) Affected Jurisdiction Increased Cost of Hedging: [Applicable] [Not Applicable]
- Affected Jurisdiction: [ ] [Not Applicable]
- (e) Increased Cost of Stock Borrow: [Applicable] [Not Applicable]
- Initial Stock Loan Rate: [ ] [Not Applicable]
- (f) Loss of Stock Borrow: [Applicable] [Not Applicable]
- Maximum Stock Loan Rate: [ ] [Initial Stock Loan Rate ] [Not Applicable]
- (g) Fund Disruption Event: [Applicable] [Not Applicable]

- (h) Foreign Ownership Event: [Applicable] [Not Applicable]
- (i) Insolvency Filing: [Applicable] [Not Applicable]
- (j) Change in Law- Hedging: [Applicable] [Not Applicable]
13. FX Disruption Event: [Applicable] [Not Applicable]  
(*General Condition 12 (FX Disruption Event)*)
- (a) Specified Currency: [ ]
- (b) Specified Jurisdiction: [ ]
14. Local Jurisdiction Taxes and Expenses: [Applicable] [Not Applicable]  
(*General Condition 13*)
15. Early Cash Settlement Amount: [Par] [Market Value]
- Further information**
16. Form of Securities: [Bearer Securities] [Registered Securities]  
[Dematerialised Securities] [Uncertificated Securities]  
[Euroclear France Securities] [ ]
- [Temporary Global Security[, exchangeable for a Permanent Global Security]], [Permanent Global Security[, exchangeable for a Definitive Bearer Security]]
- [Global Registered Security, exchangeable for a Definitive Registered Security:]
- [Definitive Registered Securities] [Uncertificated and dematerialised book-entry form]
- [Global Bearer Securities] [Dematerialised uncertificated registered form]
- NGN Form: [Applicable] [Not Applicable]
- Held under the NSS: [Applicable] [Not Applicable]
- CGN Form: [Applicable] [Not Applicable]
17. Trade Date: [ ]
18. Additional Business Centre(s): [ ] [Not Applicable]
19. Business Day Convention: [Following] [Modified Following] [Nearest] [Preceding]
20. Determination Agent: [Barclays Bank PLC] [ ]
21. Manager: [Barclays Bank PLC] [Barclays Capital Inc.] [ ]



**[THIRD PARTY INFORMATION]**

[[•] has been extracted from [•]]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

**PART B - OTHER INFORMATION****1. LISTING AND ADMISSION TO TRADING**

- (i) Listing and Admission to Trading: [Application is expected to be made by the Issuer (or on its behalf) for the Securities to be [listed on the Official List and] admitted to trading on the Regulated Market of the [Luxembourg Stock Exchange] [the Irish Stock Exchange] [NYSE Euronext Paris] [NASDAQ OMX Copenhagen] [NYSE Euronext Amsterdam] with effect from [ ].[Not Applicable] [The Tranche [ ] Securities were admitted to trading on [the London Stock Exchange] [the Irish Stock Exchange] [NYSE Euronext Paris] [Luxembourg Stock Exchange] [NASDAQ OMX Copenhagen] [NYSE Euronext Amsterdam] on or around [ ]]

[The Securities shall not be fungible with the Tranche [ ] Securities until such time as the Securities are listed and admitted to trading as indicated above.]

- (ii) Estimate of total expenses related to admission to trading: [[ ] [Not Applicable]]

**2. RATINGS**

Ratings: [The Securities have not been individually rated.]

Upon issuance, the Securities are expected to be rated:

[Standard & Poor's: [ ]]

[Moody's: [ ]]

[Fitch: [ ]]

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

[Save for any fees payable to the Manager[s] and save as discussed in the risk factor "Risks associated with conflicts of interest between the Issuer and purchasers of Securities", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the [issue/offer].] [ ]

**4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- (i) Reasons for the offer: [ ] [General funding] [Not Applicable]
- (ii) Estimated net proceeds: [ ] [Not Applicable]
- (iii) Estimated total expenses: [ ] [Not Applicable]

**5. [PERFORMANCE OF UNDERLYING ASSET OR OTHER VARIABLE, AND OTHER INFORMATION CONCERNING THE UNDERLYING ASSET AND/OR OTHER UNDERLYING]**

The Issuer will use reasonable efforts to publish the [Current Financing Level] [Current Stop Loss Level] [Current Knock-Out Barrier] [Parity] on [ ] [<http://www.bmarkets.com>] [ ]

[[Bloomberg Screen] [Reuters Screen Page] [ ]: "[ ]" [and] [www.[ ]]

## 6. OPERATIONAL INFORMATION

- (a) ISIN Code: [ ]
- (b) [Temporary ISIN Code:] [ ]
- (c) Common Code: [ ]
- (d) [Temporary Common Code:] [ ]
- (e) [Trading Symbol:] [ ]
- (f) Name(s) and address(es) of any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable] [Euroclear Netherlands. Herengracht 459-469, 1017 BS Amsterdam, The Netherlands] [Euroclear France S.A., 115 rue Réaumur, F-75081 Paris-CEDEX 02, France]
- (g) Common Depository: [ ]
- (h) Delivery: Delivery [against/free of] payment.
- (i) Issue and Paying Agent: [The Bank of New York Mellon, London Branch of One Canada Place, London E14 5AL, United Kingdom][Barclays Bank PLC of 1 Churchill Place, London E14 5HP, United Kingdom][Citibank Inc. of 399 Park Avenue, New York, New York 10043, United States][ ]
- (j) Name and address of additional Paying Agent(s) (if any) [French Issue and Paying] [Dutch Issue and Paying Agent]: [ ] [Not Applicable]
- (k) Registration Agent: [ ]

## 7. [DISTRIBUTION]

Name and address of financial intermediary/ies authorised to use this Base Prospectus ("**Authorised Offeror(s)**"):

[ ] [Each such financial intermediary whose name and address is published on the Issuer's website (<http://www.bmarkets.com>)] [Not Applicable]

Offer period for which use of this Base Prospectus is authorised by the Authorised Offeror(s):

[ ] [Not Applicable]

Other conditions for use of this Base Prospectus by the Authorised Offeror(s):

1. [The Authorised Offeror(s) must have entered into a duly executed written agreement with the Issuer governing the terms of distribution.]

2. [ ] [Not Applicable]

**8. TERMS AND CONDITIONS OF THE OFFER**

- (i) Offer Price:  per cent. of the Issue Price [Not Applicable]
- (ii) Conditions to which the offer is subject:  [Not Applicable]
- (iii) Description of the application process:  [Not Applicable]
- (iv) Details of the minimum and/or maximum amount of application:  [Not Applicable]
- (v) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:  [Not Applicable]
- (vi) Details of method and time limits for paying up and delivering the Securities:  [Not Applicable]
- (vii) Manner in and date on which results of the offer are to be made public:  [Not Applicable]
- (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:  [Not Applicable]
- (ix) Whether tranche(s) have been reserved for certain countries:  [Not Applicable]
- (x) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:  [Not Applicable]
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  [Not Applicable]
- (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:  [Not Applicable]

**[ANNEX – INDEX DISCLAIMER[S]]**

[ ]

**ISSUE SPECIFIC SUMMARY**

[ ]

## **CLEARANCE, SETTLEMENT AND TRANSFER RESTRICTIONS**

### **Book-entry Ownership**

#### **Bearer Securities**

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Securities. In respect of Bearer Securities, a Temporary Global Security and/or a Permanent Global Security in bearer form without Coupons may be deposited with a common depository for Euroclear and/or Clearstream or an alternative clearing system as agreed between the Issuer and the Managers. Transfers of interests in such Temporary Global Securities or Permanent Global Securities will be made in accordance with the normal Euromarket debt securities operating procedures of Euroclear and Clearstream or, if appropriate, the alternative clearing system.

#### **Registered Securities**

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Securities to be represented by a Global Security. Each Global Security deposited with a common depository for, and registered in the name of, a nominee of Euroclear and/or Clearstream will have an ISIN and a Common Code.

All Registered Securities will initially be in the form of Global Securities. Definitive Securities will only be available, in the case of Securities initially represented by a Global Security, in amounts or numbers specified in the Final Terms.

#### **Transfers of Registered Securities**

Transfers of interests in Global Securities within Euroclear and Clearstream will be in accordance with the usual rules and operating procedures of the relevant clearing system.

Beneficial interests in a Global Security may only be held through Euroclear or Clearstream.

For a further description of restrictions on transfer of Registered Securities, see 'Transfer Restrictions for Registered Securities'.

#### **Definitive Securities**

Registration of title to Registered Securities in a name other than a common depository or its nominee for Clearstream and Euroclear will be permitted only in the circumstances set out in General Condition 1 (*Form, Title and Transfer*). In such circumstances, the Issuer will cause sufficient individual Securities to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Holder(s). A person having an interest in a Global Security must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Securities.

## TAXATION

### 1. General Taxation Information

The information provided below does not purport to be a complete overview of tax law and practice currently applicable to the Securities. Transactions involving Securities (including purchases, transfers and/or redemptions), the accrual or receipt of any interest or premium payable on the Securities and the death of a holder of any Security may have tax consequences for investors which may depend, amongst other things, upon the tax residence and/or status of the investor. Investors are therefore advised to consult their own tax advisers as to the tax consequences of transactions involving Securities and the effect of any tax laws in any jurisdiction in which they may be tax resident or otherwise liable to tax. In particular, no representation is made as to the manner in which payments under the Securities would be characterised by any relevant taxing authority.

The following overviews do not consider the tax treatment of payments in respect of Underlying Assets. The taxation provisions applicable to such items may be different (and in some cases significantly different) from those described in the overview below.

Purchasers and/or sellers of Securities may be required to pay stamp taxes and other charges in addition to the issue price or purchase price (if different) of the Securities and in connection with the transfer or delivery of any Underlying Asset.

Investors are referred to General Condition 4.5 (*Taxes, Settlement Expenses and Conditions to Settlement*).

Terms defined in the sections below are defined for the purpose of the relevant section only.

As used below, the "Savings Directive" shall mean European Council Directive 2003/48/EC on the taxation of savings income.

### 2. United Kingdom Taxation

The comments below are of a general nature based on current United Kingdom tax law and HM Revenue & Customs ("HMRC") published practice and are an overview of the understanding of the Issuer of current law and practice in the United Kingdom relating only to certain aspects of United Kingdom taxation. They are not intended to be exhaustive. They relate only to persons who are the beneficial owners of Securities and do not apply to certain classes of taxpayers (such as persons carrying on a trade of dealing in Securities, certain professional investors and persons connected with the Issuer) to whom special rules may apply.

**Investors who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.**

#### 2.1 Withholding Tax

The Securities will not bear interest under their terms but payment of a premium on redemption could be treated as interest for UK tax purposes. In this section, the term interest means amounts treated as interest for UK tax purposes.

##### (a) Payments of interest by the Issuer only

The Issuer, provided that it continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the "Act"), and provided that the interest on Securities is paid in the ordinary course of its business within the meaning of section 878 of the Act, will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom tax.

##### (b) Payments of interest in respect of Securities which are listed on a recognised stock exchange

Payments of interest under Securities may be made without withholding or deduction for or on account of United Kingdom tax, provided that such Securities carry a right to interest, and are and remain listed on a "recognised stock exchange", as defined in section 1005 of the Act. The London Stock Exchange is a recognised stock exchange. Securities will satisfy this requirement if they are admitted to trading on the relevant recognised stock exchange, and are (in the case of the UK)



included in the Official List or (in a country outside the UK where there is a recognised stock exchange) are officially listed in accordance with provisions corresponding to those generally applicable in EEA states.

Provided, therefore, that Securities are and remain so listed, interest on such Securities will be payable without withholding or deduction for or on account of United Kingdom tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

**(c) Payments of interest to certain holders of Securities**

Interest on Securities may also be paid without withholding or deduction for or on account of United Kingdom tax where, at the time the payment is made, the Issuer reasonably believes that either:

- (i) the person beneficially entitled to the interest payable on such Securities is within the charge to United Kingdom corporation tax as regards the payment of such interest; or
- (ii) the payment is made to one of the classes of exempt bodies or persons set out in section 936 of the Act,

provided that HMRC has not given a direction (in circumstances where it has reasonable grounds to believe that such payment of interest will not be an "excepted payment" at the time the payment is made) that the interest should be paid under deduction of tax.

**(d) Securities with a maturity of less than 365 days**

Interest on Securities having a maturity of less than one year from the date of issue and which are not issued under arrangements, the effect of which is to render such Securities part of a borrowing with a total term of a year or more, may also be paid without deduction for or on account of United Kingdom income tax.

**(e) Other withholdings**

In other cases, an amount may have to be withheld from payments of interest on Securities for or on account of United Kingdom income tax at the basic rate, subject to the availability of other exemptions or reliefs or to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

In addition, an amount for or on account of United Kingdom income tax at the basic rate may have to be withheld on payments on Securities where such payments do not constitute interest for United Kingdom tax purposes but instead constitute annual payments, subject to the availability of exemptions or reliefs or subject to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

## **2.2 Reporting Requirements**

Persons in the United Kingdom paying interest to, or receiving interest on behalf of, another person who is an individual may be required to provide certain information to HMRC regarding the identity of the payee or the person entitled to the interest. In certain circumstances, such information may be exchanged with tax authorities in other countries.

The provisions referred to above may also apply, in certain circumstances, to payments of amounts due on redemption of Securities that constitute "deeply discounted securities" (as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005). However, HMRC's published practice indicates that no such information will be required in relation to such redemption amounts where they are paid before 5 April 2014.

Investors are also directed to the disclosure below in respect of the Savings Directive.

### 2.3 United Kingdom Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

Depending upon the terms and conditions of the relevant Securities, UK stamp duty or SDRT may be payable on the issue, subsequent transfer and/or redemption of such Securities. Investors should take their own advice from an appropriately qualified professional adviser in this regard.

## 3. European Union Taxation

### 3.1 EU Directive on the Taxation of Savings Income

Under the Savings Directive, each EU Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg will (unless they elect otherwise) instead apply a withholding system in relation to such payments, deducting tax at a rate of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU territories to the exchange of information relating to such payments.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual or certain other persons in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Investors should note that the European Commission has announced proposals to amend the Savings Directive. If implemented, the proposed amendments would extend the scope of the Savings Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

## 4. United States Taxation

**TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON INVESTORS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.**

The following is an overview of certain material US federal income tax consequences of the acquisition, ownership and disposition of Securities by a non-US holder. For purposes of this section, a "non-US holder" is a beneficial owner of Securities that is: (i) a non-resident alien individual for US federal income tax purposes; (ii) a foreign corporation for US federal income tax purposes; or (iii) an estate or trust whose income is not subject to US federal income tax on a net income basis. If the investor is not a non-US holder, he/she should consult his/her tax advisor with regard to the US federal income tax treatment of an investment in Securities.

An individual may, subject to certain exceptions, be deemed to be a resident of the United States for federal income tax purposes by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three year period ending in the current calendar year (counting for those purposes all of the days present in the current year, one third of the days present in the immediately preceding year, and one sixth of the days present in the second preceding year).

This overview is based on interpretations of the Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations issued thereunder, and rulings and decisions currently in effect (or in some cases

proposed), all of which are subject to change. Any of those changes may be applied retroactively and may adversely affect the US federal income tax consequences described herein. Investors considering the purchase of Securities should consult their own tax advisors concerning the application of US federal income tax laws to their particular situations as well as any consequences of the purchase, beneficial ownership and disposition of Securities arising under the laws of any other taxing jurisdiction.

**INVESTORS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE US FEDERAL, STATE, LOCAL, AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF SECURITIES.**

#### **4.1 US Federal Tax Treatment of Non-US Holders**

In general and subject to the discussion in the following paragraphs, payments on the Securities to a non-US holder and gain realized on the sale, exchange, redemption or other disposition of the Securities by a non-US holder will not be subject to US federal income or withholding tax, unless (1) such income is effectively connected with a trade or business conducted by such non-US holder in the United States, or (2) in the case of gain, such non-US holder is a non-resident alien individual who holds the Securities as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied.

It is possible that Securities that do not guarantee a return of principal ("**Non-Principal-Protected Securities**") could be treated as forward or executory contracts for US federal income tax purposes. The Internal Revenue Service ("**IRS**") released a notice in 2007 that may affect the taxation of non-US holders of Non-Principal-Protected Securities. According to the notice, the IRS and the Treasury Department are actively considering whether, among other issues, the holder of instruments such as Non-Principal-Protected Securities should be required to accrue ordinary income on a current basis. It is not possible to determine what guidance they will ultimately issue, if any. It is possible, however, that under such guidance, non-US holders of such Securities will ultimately be required to accrue income currently and that non-US holders of such Securities could be subject to withholding tax on deemed income accruals and/or other payments made in respect of such Securities. In addition, alternative treatments of Non-Principal-Protected Securities are possible under US federal income tax law. Under one such alternative characterisation, it is possible that an investor could be treated as owning the Underlying Asset of such Securities.

If the amount that is payable on a Security is determined by reference to dividends that are paid or declared with respect to a US stock, it is possible that the IRS could assert that investors should be subject to US withholding tax in respect of such dividends. Similarly, in the case of Securities that are linked to one or more assets characterised as "US real property interests" (as such term is defined in Section 897(c) of the Code), non-US holders may be subject to special rules governing the ownership and disposition of US real property interests. Prospective non-US holders should consult their own tax advisors regarding the possible alternative treatments of the Securities.

In addition, the Treasury Department has issued proposed regulations under Section 871(m) of the Code which address payments contingent on or determined by reference to dividends paid on US equities. Regulations under sections 871(m) could ultimately require the Issuer to treat all or a portion of any payment in respect of the Securities as a "dividend equivalent" payment that is subject to withholding tax at a rate of 30 per cent. (or a lower rate under an applicable treaty). However, such withholding would potentially apply only to payments made after December 31, 2013. Investors could also be required to make certain certifications in order to avoid or minimize such withholding obligations, and could be subject to withholding (subject to the investor's potential right to claim a refund from the IRS) if such certifications were not received or were not satisfactory. Investors should consult their tax advisors concerning the potential application of these regulations to payments received with respect to the Securities when these regulations are finalised.

#### **4.2 Foreign Account Tax Compliance Withholding**

A 30 per cent. withholding tax will be imposed on certain payments to certain non-US financial institutions that fail to comply with information reporting requirements or certification requirements in respect of their direct and indirect United States shareholders and/or United States accountholders. United States accountholders subject to such information reporting or certification requirements may include holders of the Securities. To avoid becoming subject to the 30 per cent. withholding tax on

such payments, the Issuer and other non-US financial institutions may be required to report information to the IRS regarding the holders of Securities and, in the case of holders who (i) fail to provide the relevant information, (ii) are non-US financial institutions who have not agreed to comply with these information reporting requirements, or (iii) hold Securities directly or indirectly through such non-compliant non-US financial institutions, withhold on a portion of payments under the Securities. Under final regulations issued by the Treasury Department, such withholding will not apply to payments made before January 1, 2014 with respect to US source payments (e.g., "dividend equivalent" payments) and before January 1, 2017 with respect to non-US source payments.

## **5. Dutch Taxation**

**The following overview of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following overview does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of a Security, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.**

**Investors are advised to consult their professional advisers as to the tax consequences of purchase, ownership and disposition of the Securities.**

### **5.1 Withholding Tax**

All payments made by the Issuer of interest and principal under the Securities can be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

### **5.2 Other Taxes**

The subscription, issue, placement, allotment, delivery or transfer of a Security will not be subject to registration tax, stamp duty or any other similar tax or duty payable in The Netherlands.

### **5.3 Residence**

The holder of a Security will not be, or deemed to be, resident in The Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Security or the execution, performance, delivery and/or enforcement of a Security.

## **6. French Taxation**

This overview is based on tax laws and taxation practice, as in effect and applied as at the date of this Base Prospectus, and is intended to provide general information only. Tax laws, taxation practices and their interpretation are subject to constant change, and such changes may sometimes have a retroactive effect and may change the conclusions set out in this overview.

### **6.1 Income Tax and Withholding Tax**

Investors in Securities who are French residents for tax purposes or who would hold such Securities through a permanent establishment or fixed base in France should be aware that transactions involving the Securities, including any purchase or disposal of, or other dealings in, the Securities, may have French tax consequences. The tax consequences regarding interest, premium on redemption and capital gains in particular may depend, amongst other things, upon the status of the investor (i.e. legal entities or individuals). Investors in Securities should consult their own advisers about the tax implications of holding Securities and of any transactions involving Securities.

Pursuant to Article 9 of the 2013 Finance Law (loi n° 2012-1509 du 29 décembre 2012 de finances pour 2013), subject to certain limited exceptions, interest and other income received by French resident holders of such Securities treated as debt instruments for French tax purposes, who are individuals and who do not hold their Securities in connection with a business they carry on, is subject to a 24 per cent. advance income tax, which is deductible from such holders' personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS

and other related contributions) are also levied on top of this at an aggregate rate of 15.5 per cent. on interest and other income paid to such holders.

## 6.2 Implementation of the Savings Directive

The Savings Directive was implemented into French law under Article 242 ter of the French tax code, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

## 7. Luxembourg Taxation

**The comments below are intended as a basic overview of certain tax consequences in relation to the purchase, ownership and disposal of the Securities under Luxembourg law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.**

### 7.1 Withholding tax and Self-Applied Tax

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to certain individual holders of Securities or so-called residual entities, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to certain individual holders of Securities or so-called residual entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Securities.

#### (a) Luxembourg non-resident individuals

Under the Luxembourg laws dated 21 June 2005 (the "**Laws**") implementing the Savings Directive and several agreements concluded between Luxembourg and certain dependent or associated territories of the EU, a Luxembourg based paying agent (within the meaning of the Laws) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or certain "residual entities" resident or established in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for the exchange of information or, in case of an individual beneficiary, the tax certificate procedure. "Residual entities" within the meaning of Article 4.2 of the Savings Directive are entities established in a Member State or in certain EU dependent or associated territories which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, which are not and have not opted to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC, as replaced by the European Council Directive 2009/65/EC, or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands.

The current withholding tax rate is 35 per cent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

#### (b) Luxembourg resident individuals

In accordance with the law of 23 December 2005, as amended (the "**Law**") on the introduction of a withholding tax on certain interest payments on savings income, interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the European Council Directive 85/611/EEC, as replaced by the European Council Directive 2009/65/EC, or for the exchange of information regime) are subject to a 10 per cent. withholding tax.

Pursuant to the Law, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Savings Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic Area other than an EU Member State or in a State or territory which has concluded an international agreement directly related to the Savings Directive.

## PURCHASE AND SALE

Pursuant to the Master Subscription Agreement dated 18 April 2013 (as amended, supplemented and/or restated from time to time, the "**Master Subscription Agreement**"), each Manager (being, at the date of this Base Prospectus, each of Barclays Bank PLC and Barclays Capital Inc. in their respective capacities as a Manager) has agreed with the Issuer the basis on which it may from time to time agree to purchase Securities. Any such agreement will extend to those matters stated under 'Summary' and 'Terms and Conditions of the Securities'. In the Master Subscription Agreement, the Issuer has agreed to reimburse the relevant Manager for certain of its expenses in connection with the Securities issued pursuant to the Programme.

No representation is made that any action has been or will be taken by the Issuer or the Managers in any jurisdiction that would permit a public offering of any of the Securities or possession or distribution of this Base Prospectus or any other offering material or any Final Terms in relation to any Securities in any country or jurisdiction where action for that purpose is required (other than actions by the Issuer to meet the requirements of the Prospectus Directive for offerings contemplated in this Base Prospectus and/or the Final Terms). No offers, sales, resales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction and/or to any individual or entity except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer and/or the Managers.

### **Selling Restrictions**

#### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**"), each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (a) If the Issuer expressly specifies that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "Public Offer"), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Public Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "an offer of Securities to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the

extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

### **The Netherlands**

In addition and without prejudice to the relevant restrictions set out under "*European Economic Area*" above, Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member firm of NYSE Euronext Amsterdam N.V., admitted in a function on one or more markets or systems held or operated by NYSE Euronext Amsterdam N.V., in accordance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended).

No such mediation is required in respect of: (a) the transfer and acceptance of rights representing an interest in a global security; (b) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals who do not act in the conduct of a business or profession; (c) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof; or (d) the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series or Tranche are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with.

As used herein "Zero Coupon Notes" are Securities that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

### **United Kingdom**

Each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

### **United States of America**

#### **US Tax Selling Restrictions**

Securities issued in bearer form for US tax purposes ("**Bearer Instruments**") may not be offered, sold or delivered within the United States or its possessions or to a United States person except as permitted under US Treasury Regulation section 1.163-5(c)(2)(i)(D) (the "**D Rules**").

The Issuer and each Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that in addition to the relevant US Securities Selling Restrictions set forth below:

- (a) except to the extent permitted under the D Rules, (x) it has not offered or sold, and during the restricted period it will not offer or sell, Bearer Instruments to a person who is within the United States or its possessions or to a United States person and (y) such Manager has not delivered and agrees that it will not deliver within the United States or its possessions definitive Bearer Instruments that will be sold during the restricted period;
- (b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Instruments are aware that Bearer Instruments may not be offered or sold during the restricted period to a person



who is within the United States or its possessions or to a United States person (except to the extent permitted under the D Rules);

- (c) if it is a United States person, it is acquiring the Bearer Instruments for purposes of resale in connection with their original issuance, and if it retains Bearer Instruments for its own account, it will do so in accordance with the requirements of the D Rules;
- (d) with respect to each affiliate or distributor that acquires Bearer Instruments from a Manager for the purpose of offering or selling such Bearer Instruments during the restricted period, the Manager either repeats and confirms the representations and agreements contained in sub clauses (a), (b) and (c) above on such affiliate's or distributor's behalf or agrees that it will obtain from such affiliate or distributor for the benefit of the Issuer and each Manager the representations and agreements contained in such sub clauses; and
- (e) it has not and agrees that it will not enter into any written contract (other than confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Manager) has offered or sold, or during the restricted period will offer or sell, any Bearer Instruments except where pursuant to the contract the relevant Manager has obtained or will obtain from that party, for the benefit of the Issuer and each Manager, the representations contained in, and that party's agreement to comply with, the provisions of sub clauses (a), (b), (c) and (d).

Terms used in this section (US Tax Selling Restrictions) shall, unless the context otherwise requires, have the meanings given to them by the Internal Revenue Code and the US Treasury Regulations thereunder, including the D Rules.

#### ***US Securities Selling Restrictions***

The Securities, and in, certain cases, the Entitlements have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this section (*US Securities Selling Restrictions*) shall, unless the context otherwise requires, have the meanings given to them by Regulation S under the Securities Act.

Each Manager has agreed (and each further Manager named in the Final Terms will be required to agree) that it will not offer or sell Securities (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after the completion of the distribution of an identifiable tranche of which such Securities are part, as determined and certified to the Agent by such Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issue), within the United States or to, or for the account or benefit of, US persons, and it will have sent to each Manager to which it sells Securities during the Distribution Compliance Period a confirmation or other notice setting out the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, US persons. Terms used in the preceding sentence have the meanings given to them by Regulation S. Neither such Manager nor its affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Securities, and such Manager, its affiliates and all persons acting on its or their behalf have complied and will comply with the offering restrictions requirement of Regulation S.

The Securities are being offered and sold outside the United States to non-US persons in reliance on Regulation S.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of Securities outside the United States and for the resale of the Registered Securities in the United States and for the listing of Securities on the Relevant Stock Exchange. The Issuer and the Managers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States or to any US person. Distribution of this Base Prospectus by any non-US person outside the United States is unauthorised, and any disclosure without the prior written consent of the Issuer of any of its contents to any of such US person or other person within the United States is prohibited.

#### **US Retirement Plan Selling Restrictions**

The Securities may not be sold or transferred to, and each purchaser by its purchase of Securities shall be

deemed to have represented and covenanted that it is not acquiring the Securities for or on behalf of, and will not transfer Securities to, any pension or welfare plan, as defined in Section 3 of the Employee Retirement Income Security Act ("**ERISA**"), that is subject to Title I of ERISA or any plan or arrangement that is subject to Section 4975 of the Internal Revenue Code, or an entity the assets of which are considered assets of such a plan, except that such purchase for or on behalf of a plan shall be permitted when, in the sole judgement of the relevant Manager, and to the extent:

- (a) such purchase is made by or on behalf of a bank collective investment fund maintained by the purchaser in which no plan (together with any other plans maintained by the same employer or employee organisation) has an interest in excess of 10 per cent. of the total assets in such collective investment fund, and the other applicable conditions of Prohibited Transaction Class Exemption ("**PTCE**") 91–38 issued by the US Department of Labor are satisfied;
- (b) such purchase is made by or on behalf of an insurance company pooled separate account maintained by the purchaser in which, at any time while the Securities are outstanding, no plan (together with any other plans maintained by the same employer or employee organisation) has an interest in excess of 10 per cent. of the total of all assets in such pooled separate account, and the other applicable conditions of PTCE 90–1 issued by the US Department of Labor are satisfied;
- (c) such purchase is made on behalf of a plan by (i) an investment adviser registered under the US Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**"), that had as at the last day of its most recent fiscal year total assets under its management and control in excess of \$ 85 million and had stockholders' or partners' equity in excess of \$ 1 million, as shown in its most recent balance sheet prepared in accordance with generally accepted accounting principles, or (ii) a bank as defined in Section 202(a)(2) of the Investment Advisers Act with equity capital in excess of \$ 1 million as at the last day of its most recent fiscal year or (iii) an insurance company which is qualified under the laws of more than one state to manage, acquire or dispose of any assets of a pension or welfare plan, which insurance company had as at the last day of its most recent fiscal year, net worth in excess of \$ 1 million and which is subject to supervision and examination by a State authority having supervision over insurance companies and, in any case, such investment adviser, bank or insurance company is otherwise a qualified professional asset manager, as such term is used in PTCE 84–14 issued by the US Department of Labor, and the assets of such plan when combined with the assets of other plans established or maintained by the same employer (or affiliate thereof) or employee organisation and managed by such investment adviser, bank or insurance company, do not represent more than 20 per cent. of the total client assets managed by such investment adviser, bank or insurance company at the time of the transaction, and the other applicable conditions of such exemption are otherwise satisfied;
- (d) such plan is a governmental plan (as defined in Section 3(3) of ERISA) which is not subject to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code;
- (e) such purchase is made by or on behalf of an insurance company using the assets of its general account, of which the reserves and liabilities for the general account contracts held by or on behalf of any plan, together with any other plans maintained by the same employer (or its affiliates) or employee organisation, do not exceed 10 per cent. of the total reserves and liabilities of the insurance company general account (exclusive of separate account liabilities), plus surplus as set forth in the National Association of Insurance Commissioners Annual Statement filed with the state domicile of the insurer, in accordance with PTCE 95–60, and the other applicable conditions of such exemption are otherwise satisfied;
- (f) such purchase is made by an in-house asset manager within the meaning of Part IV(a) of PTCE 96–23, such manager has made or properly authorized the decision for such plan to purchase Securities, under circumstances such that PTCE 96–23 is applicable to the purchase and holding of Securities;  
or
- (g) such purchase will not otherwise give rise to a transaction described in Section 406 of ERISA or Section 4975(c)(1) of the Internal Revenue Code for which a statutory or administrative exemption is unavailable.

**General**

The selling restrictions may be modified by the agreement of the Issuer and the relevant Manager, including following a change in a relevant law, regulation or directive.

No action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Manager has agreed that it will comply with all relevant laws, regulations and directives, and obtain all relevant consents, approvals or permissions, in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms, and neither the Issuer nor any Manager shall have responsibility therefor.

## GENERAL INFORMATION

### Authorisation and Consents

The establishment of the Programme and the issue of Securities under the Programme have been duly authorised by resolutions of an authorised committee of the Board of Directors of the Issuer on 12 April 2013.

The Issuer has obtained all necessary consents, approvals and authorisations in connection with establishing and updating this Programme and will obtain all such consents, approvals and authorisations in connection with the issue and performance of each Security or Series of Securities issued pursuant to this Programme.

### Use of Proceeds

The Issuer intends to apply the net proceeds from the sale of any Securities either for hedging purposes or for general corporate purposes unless otherwise specified in the Final Terms relating to a particular Security or Series of Securities. If, in respect of any particular issue of Securities, there is a particular identified use of proceeds, this will be stated in the Final Terms.

### Base Prospectus and Supplements

This Base Prospectus may be used for a period of one year from its date in connection with a public offer of Securities in the EU, or for the listing and admission to trading of Series. A revised Base Prospectus will be prepared in connection with the listing of any Series issued after such period unless all consents necessary are obtained for an extension of such period.

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus (a "**Supplement**") pursuant to Article 13 of the Luxembourg Prospectus Law, or to give effect to the provisions of Article 16(1) of the Prospectus Directive, the Issuer will prepare and make available an appropriate amendment or supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Securities to be offered to the public or to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, or of any other Relevant Stock Exchange, shall constitute a supplemental base prospectus as required by Article 13 of the Luxembourg Prospectus Law.

### Passporting

A request has been made to the CSSF to passport this Base Prospectus to the following competent authorities:

- (a) Autorité des Marchés Financiers (AMF) (France); and
- (b) Autoriteit Financiële Markten (AFM) (The Netherlands).

### Relevant Clearing Systems

The Securities issued under the Programme may be accepted for clearance through the Euroclear, Clearstream, Euroclear Netherlands, Euroclear France any other Relevant Clearing System as set out in the Final Terms. The appropriate common code for each Series allocated by Euroclear, Clearstream will be set out in the Final Terms, together with the International Securities Identification Number (the "**ISIN**") for that Series. Transactions will normally be effected for settlement not earlier than three Business Days after the date of the transaction.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Euroclear Netherlands is Herengracht 459-469, NL – 1017 BS Amsterdam. The address of Euroclear France is 115 rue Réaumur, F-75081 Paris-CEDEX 02, France. The address of any additional clearing system will be set out in the Final Terms.

### Documents Available

For as long as this Base Prospectus remains in effect or any Securities remain outstanding, copies of the following documents will, when available, be made available during usual business hours on a weekday (Saturdays, Sundays and public holidays excepted) for inspection and, in the case of (b), (c), (h) and (i) below, shall be available for collection free of charge at the registered office of the Issuer and at <http://www.bmarkets.com> or such successor website as may be specified in the Final Terms and at the specified office of the Issue and Paying Agent. The Final Terms in respect of any Series, shall also be available at the specified office of the relevant Paying Agents or Transfer Agents:

- (a) the constitutional documents of the Issuer;
- (b) the documents set out in the "Incorporation by Reference" section of this Base Prospectus;
- (c) all future annual reports and semi-annual financial statements of the Issuer;
- (d) the Master Subscription Agreement;
- (e) the Agency Agreement;
- (f) the Deed of Covenant;
- (g) the current Base Prospectus in respect of the Programme and any future supplements thereto;
- (h) any Final Terms issued in respect of Securities admitted to listing, trading and/or quotation by any listing authority, stock exchange, and/or quotation system since the most recent base prospectus was published; and
- (i) any other future documents and/or announcements issued by the Issuer.

### Post-issuance Information

The Issuer does not intend to provide any post-issuance information in relation to any of the Securities or the performance of any Underlying Asset or any other underlying relating to Securities, except if required by any applicable laws and regulations.

### Price

Securities will be issued by the Issuer at the Issue Price specified in the Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Dealer at the time of the relevant offer and will depend, amongst other things, on prevailing market conditions at that time.

### Temporary ISIN and Temporary Common Code

Any Temporary ISIN or Temporary Common Code specified in the Final Terms will apply until such time as the Relevant Clearing System recognises the Securities of the relevant Tranche to be fungible.

### Index Disclaimers

The following Index Disclaimers apply to Securities in respect of which the Underlying Asset(s) are specified to include one or more of the FTSE<sup>®</sup> 100 Index; EURO STOXX 50<sup>®</sup> Index or S&P 500 Index. Where the Underlying Assets include any other equity indices, the relevant index disclaimers will be set out in the applicable Final Terms.

### FTSE<sup>®</sup> 100 Index

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