

**EXTRAORDINARY RESOLUTION  
IN RESPECT OF THE £500,000,000 5.3304 PER CENT. STEP-UP CALLABLE PERPETUAL  
RESERVE CAPITAL INSTRUMENTS (ISIN: XS0248675364)**

"THAT this Meeting of the holders (together, the "**RCIs Holders**") of the presently outstanding £500,000,000 5.3304 per cent. Step-up Callable Perpetual Reserve Capital Instruments (the "**RCIs**") of Barclays Bank PLC (the "**Issuer**"), constituted by the trust deed dated 31 March 2006 as amended, restated, modified and/or supplemented from time to time (the "**Trust Deed**") made between the Issuer, Barclays PLC and The Bank of New York, New York Office (the "**Trustee**") as trustee for the RCIs Holders:

1. (subject to paragraphs 9 and 10 of this Extraordinary Resolution) assents to and approves the RCIs and Sterling FRN Proposed Amendments in respect of the RCIs (as set out in Part 4 of Schedule A to the Notice) pursuant to the relevant Proposal and their implementation including by modification of the Trust Deed, the RCIs Agency Agreement and the terms and conditions of the RCIs (the "**Conditions**") which are set out in the First Schedule to the Trust Deed.
2. (subject to paragraphs 9 and 10 of this Extraordinary Resolution) authorises, directs, requests and empowers:
  - (a) the Issuer and the Trustee to execute a deed supplemental to the Trust Deed applicable to the RCIs (the "**Supplemental Trust Deed**") to effect the modifications referred to in paragraph 1 of this Extraordinary Resolution, in the form or substantially in the form of the draft produced to this Meeting, with such amendments thereto (if any) as the Trustee shall require or agree to;
  - (b) the Issuer and the Trustee to execute and to do all such deeds, instruments, acts and things as may be necessary, desirable or expedient, each in their sole opinion to carry out and to give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraph 1 of this Extraordinary Resolution; and
  - (c) the Issuer and the Trustee to execute a supplemental agency agreement (the "**RCIs Supplemental Agency Agreement**") to the RCIs Agency Agreement to give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraph 1 of this Extraordinary Resolution;
3. discharges and exonerates the Trustee from all liability for which it may have become or may become responsible under the Trust Deed or the RCIs or any Transaction Document or any document related thereto in respect of any act or omission in connection with the passing of this Extraordinary Resolution or its implementation, the modifications referred to in paragraph 1 of this Extraordinary Resolution or the implementation of those modifications or the executing of any deeds, agreements, documents or instructions, the performance of any acts, matters or things to be done to carry out and give effect to the matters contemplated in the Supplemental Trust Deed, the RCIs Supplemental Agency Agreement, the Notice or this Extraordinary Resolution;
4. irrevocably waives any claim that the RCIs Holders may have against the Trustee arising as a result of any loss or damage which we may suffer or incur as a result of the Trustee acting upon this Extraordinary Resolution (including but not limited to circumstances where it is subsequently found that this Extraordinary Resolution is not valid or binding on the holders) and the RCIs Holders further confirm that the RCIs Holders will not seek to hold the Trustee liable for any such loss or damage;
5. expressly agrees and undertakes to indemnify and hold harmless the Trustee from and against all losses, liabilities, damages, costs, charges and expenses which may be suffered or incurred by them as a result of any claims (whether or not successful, compromised or settled), actions, demands or proceedings brought against the Trustee and against all losses, costs, charges or expenses (including legal fees) which the Trustee may suffer or incur which in any case arise as a result of the Trustee acting in accordance with this Extraordinary Resolution and the Trust Deed;
6. (subject to paragraphs 9 and 10 of this Extraordinary Resolution) sanctions and assents to every abrogation, modification, compromise or arrangement in respect of the rights of the RCIs Holders appertaining to the RCIs against the Issuer, whether or not such rights arise under the Conditions,

involved in, resulting from or to be effected by the modifications referred to in paragraph 1 of this Extraordinary Resolution and their implementation;

7. waives any and all requirements, restrictions and conditions precedent set forth in the Transaction Documents on any person, in implementing the modifications contemplated by the Supplemental Trust Deed, the RCIs Supplemental Agency Agreement, this Extraordinary Resolution and the relevant Proposal;
8. discharges and exonerates the Issuer from all liability for which it may have become or may become responsible under the Trust Deed, the RCIs or any Transaction Document or any document related thereto in respect of any act or omission in connection with the passing of this Extraordinary Resolution or the executing of any deeds, agreements, documents or instructions, the performance of any acts, matters or things to be done to carry out and give effect to the matters contemplated in the Supplemental Trust Deed, the RCIs Supplemental Agency Agreement, the Notice or this Extraordinary Resolution;
9. declares that the implementation of this Extraordinary Resolution shall be conditional on:
  - (a) the passing of this Extraordinary Resolution; and
  - (b) the quorum required for, and the requisite majority of votes cast at, this Meeting being satisfied by Eligible RCIs Holders, irrespective of any participation at this Meeting by Ineligible RCIs Holders and that, in the event that the Extraordinary Resolution is passed at this Meeting but such condition is not satisfied, the chairman of this Meeting and the Trustee are hereby authorised, directed, requested and empowered to adjourn this Meeting for such period being not less than 14 clear days nor more than 42 clear days, and in such manner (including by teleconference) or to such place as may be appointed by the chairman of this Meeting and approved by the Trustee, for the purpose of reconsidering resolutions 1 to 12 of this Extraordinary Resolution with the exception of resolution 9(b) of this Extraordinary Resolution. At any such adjournment of this Meeting, one or more persons present holding RCIs or being agents holding or representing in aggregate not less than one-third of the aggregate principal amount outstanding of the RCIs shall form a quorum and shall have the power to pass such Extraordinary Resolution, and this condition set out in this paragraph 9(b) will be satisfied if the quorum required for, and the requisite majority of votes cast at, such adjourned Meeting are satisfied by Eligible RCIs Holders irrespective of any participation at the adjourned Meeting by Ineligible RCIs Holders;
10. declares that the implementation of this Extraordinary Resolution shall be in all respects conditional on (i) the Issuer not having previously terminated the Consent Solicitation in respect of the RCIs in accordance with the provisions for such termination set out in the Consent Solicitation Memorandum and (ii) the passing of this Extraordinary Resolution;
11. acknowledges that the following terms, as used in this Extraordinary Resolution, shall have the meanings given below:

**"Consent Solicitation"** means the invitation by the Issuer to all Eligible RCIs Holders to consent to the modification of the Conditions relating to the RCIs as described in the Consent Solicitation Memorandum and as the same may be amended in accordance with its terms;

**"Consent Solicitation Memorandum"** means the consent solicitation memorandum dated 23 November 2020 prepared by the Issuer in relation to the Consent Solicitation (a copy of which is available for inspection as referred to in the Notice);

**"Eligible RCIs Holder"** means each RCIs Holder who is (a) either (i) a QIB (as defined in Rule 144A under the Securities Act) and, if applicable, is acting on behalf of a Beneficial Owner who is also a QIB or (ii) outside the United States and not a U.S. person or acting for the account or benefit of a U.S. person (in each case, as defined in Regulation S under the Securities Act), (b) an eligible counterparty or a professional client (each as defined in MiFID II) and, if applicable and acting on a non-discretionary basis, who is acting on behalf of a Beneficial Owner that is also an eligible counterparty or a professional client, and (c) otherwise a person to whom the relevant

Consent Solicitation can be lawfully made and that may lawfully participate in the relevant Consent Solicitation;

**"Ineligible RCIs Holder"** means each RCIs Holder who is not an Eligible RCIs Holder;

**"QIB"** means a qualified institutional buyer as defined in Rule 144A under the Securities Act; and

**"Securities Act"** means the U.S. Securities Act of 1933, as amended.

12. agrees that capitalised terms in this document where not defined herein shall have the meanings given to them in the Consent Solicitation Memorandum."

**DULY PASSED ON 16 DECEMBER 2020**

**SCHEDULE A**  
**AMENDMENTS TO THE CONDITIONS AND TRUST DEED OF EACH OF THE SECURITIES**

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**PART 4**

**RCIs**

*£500,000,000 5.3304 per cent. Step-up Callable Perpetual Reserve Capital Instruments – ISIN  
XS0248675364*

**Amendments to the Conditions of the RCIs**

1. Condition 5 (*Coupon Payments*) shall be amended as follows:
  - 1.1 Condition 5(b) (*Coupon Payments – Coupon Rate*) shall be deleted and replaced with the following:
    - (b) *Coupon Rate*
      - (i) The Coupon Rate in respect of the period from (and including) the Issue Date to (but excluding) the First Reset Date is 5.3304 per cent. per annum.
      - (ii) If an Index Cessation Event in respect of three-month sterling LIBOR has not occurred on or before the Coupon Determination Date, the Coupon Rate in respect of each Reset Period shall be the aggregate of 1.985 per cent. per annum and subject to Condition 5(f) (*Benchmark Replacement*):
        - (aa) the offered rate (rounded, if necessary, up to the nearest one hundred thousandth of a percentage point (0.000005 per cent. being rounded upwards)) for three-month deposits in Pounds Sterling as at 11.00 a.m. (London time) on the Coupon Determination Date in question as appears on the display designated as page "3750" on the Telerate service (or such other page or service as may replace it for the purpose of displaying such information) as determined by the Principal Paying Agent; or
        - (bb) if such offered rate does not appear, the arithmetic mean (rounded, if necessary, up to the nearest one hundred thousandth of a percentage point (0.000005 per cent. being rounded upwards)) of offered quotations to prime banks in the London interbank market for three-month deposits in Pounds Sterling as at 11.00 a.m. (London time) on the Coupon Determination Date in question obtained by the Principal Paying Agent from the principal London office of the Reference Banks, provided at least two of the Reference Banks provide the Principal Paying Agent with such offered quotations; and
        - (cc) if, on any Coupon Determination Date to which the provisions of subparagraph (bb) above apply, one only or none of the Reference Banks provides the Principal Paying Agent with such a quotation, the arithmetic mean (rounded, if necessary, up to the nearest one hundred thousandth of a percentage point (0.000005 per cent. being rounded upwards)) of the Pounds Sterling lending rates which major banks in the London interbank market selected by the Principal Paying Agent are quoting at approximately 11.00 a.m. (London time) on the relevant Coupon Determination Date to leading banks in London for a period of three months,  
  
except that, if the banks so selected by the Principal Paying Agent under paragraph (cc) above are not quoting as mentioned above, the Coupon Rate shall be either (i) the Coupon Rate in effect for the last preceding Coupon Period to which one of the preceding subparagraphs of this paragraph shall have applied or (ii) if none, 6.3304 per cent. per annum.

- (iii) If an Index Cessation Event in respect of three-month sterling LIBOR has occurred on or before the Coupon Determination Date, the Coupon Rate in respect of each Reset Period shall be the aggregate of (A) 1.985 per cent. per annum, (B) Compounded Daily SONIA and (C) the Adjustment Rate (rounded, if necessary, up to the nearest one hundred thousandth of a percentage point (with 0.00005 per cent. being rounded upwards)).

The Issuer shall notify the Principal Paying Agent of the occurrence of an Index Cessation Event and the date of the same as soon as practicable thereafter.

- (aa) If, in respect of any London Banking Day in the relevant Reference Period, the Principal Paying Agent determines that the SONIA Reference Rate is not available on the Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 5(f) (*Benchmark Replacement*), be:
  - (A) (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
  - (B) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, the SONIA Reference Rate published on the Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Screen Page (or otherwise published by the relevant authorised distributors).

Notwithstanding the paragraph above, and without prejudice to Condition 5(f) (*Coupon Payments – Benchmark Replacement*), in the event of the Bank of England publishing guidance as to (i) how the SONIA Reference Rate is to be determined or (ii) any rate that is to replace the SONIA Reference Rate, the Principal Paying Agent shall, in consultation with the Issuer, follow such guidance in order to determine the SONIA Reference Rate, for purposes of the RCIs, for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

- (bb) If the Coupon Rate cannot be determined in accordance with the foregoing provisions of this Condition 5(b) (*Coupon Payments – Coupon Rate*) in relation to any Reset Period, the Coupon Rate applicable to the RCIs during such Reset Period shall be (A) that determined as at the last preceding Coupon Determination Date or (B) if there is no such preceding Coupon Determination Date, 6.3304 per cent. per annum.

- 1.2 The following paragraph shall be added at the end of Condition 5(d) (*Coupon Payments – Determination or Calculation by the Trustee*):

This Condition 5(d) shall only apply if an Index Cessation Event in respect of three-month sterling LIBOR has not occurred on or before the relevant Coupon Determination Date.

- 1.3 The following paragraph shall be added at the end of Condition 5(e) (*Coupon Payments – Reference Banks*):

This Condition 5(e) shall only apply if an Index Cessation Event in respect of three-month sterling LIBOR has not occurred on or before the First Reset Date.

1.4 The following provision shall be inserted as a new Condition 5(f):

(f) *Benchmark Replacement*

In addition to and notwithstanding the provisions above in this Condition 5, if the Issuer determines that a Benchmark Event has occurred or there is a Successor Rate, in either case when the Coupon Rate (or the relevant component part thereof) remains to be determined by reference to LIBOR (if an Index Cessation Event has not occurred prior to such determination) or SONIA as applicable, (the "**Reference Rate**") then the Issuer may elect (acting in good faith and in a commercially reasonable manner) to apply the following provisions:

- (i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner), no later than 5 Business Days prior to the relevant Coupon Determination Date relating to the next succeeding Reset Period (the "**IA Determination Cut-off Date**"), a Successor Rate (as defined below) or, alternatively, if the Independent Adviser determines that there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining Coupon Rate (or the relevant component part thereof) applicable to the RCIs;
- (ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if the Issuer determines that there is no Successor Rate, an Alternative Reference Rate;
- (iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Reset Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(f) (*Coupon Payments – Benchmark Replacement*)); **provided, however, that** if sub-paragraph (ii) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Coupon Determination Date, the Coupon Rate applicable to the next succeeding Reset Period shall be equal to the Coupon Rate last determined in relation to the RCIs in respect of the preceding Reset Period; for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Reset Period only and any subsequent Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(f) (*Coupon Payments – Benchmark Replacement*);
- (iv) if the Independent Adviser (in consultation with the Issuer) or (if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine whether an Adjustment Spread should be applied) the Issuer (acting in good faith and in a commercially reasonable manner) determines that an Adjustment Spread should be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Rate or Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine, prior to the Coupon Determination Date relating to the next succeeding Reset Period, the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;
- (v) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, any Adjustment Spread in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Terms and Conditions, including but not

limited to the Day Count Fraction, business days, Coupon Determination Date and/or the definition of the relevant Reference Rate applicable to the RCIs, and the method for determining the fallback rate in relation to the RCIs, in order to follow market practice in relation to the Successor Rate, the Alternative Reference Rate (as applicable) and/or the Adjustment Spread. For the avoidance of doubt, the Trustee and Principal Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Paying Agency Agreement and these Terms and Conditions as may be required in order to give effect to this Condition 5(f) (*Coupon Payments – Benchmark Replacement*). RCI Holder or Couponholder consent shall not be required in connection with implementing the Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread or such other changes, including for the execution of any documents, amendments or other steps by the Trustee or Principal Paying Agent (if required); and

- (vi) the Issuer shall promptly, following the determination of any Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread, give notice thereof to the Trustee, the Principal Paying Agent and the RCI Holders, which shall specify the effective date(s) for such Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread and any consequential changes made to these Terms and Conditions,

**provided that** the determination of any Successor Rate or Alternative Reference Rate or Adjustment Spread, and any other related changes to the RCIs, shall be made in accordance with the relevant Capital Regulations (if applicable) and shall not prejudice the then current capital or eligible liabilities qualification of the RCIs, as applicable, in each case for the purposes of and in accordance with the Capital Regulations.

For the purposes of this Condition 5(f):

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

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

**"Alternative Reference Rate"** means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in Sterling and of a comparable duration to the relevant Reset Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the Reference Rate;

**"Benchmark Event"** means:

- (A) the Reference Rate has ceased to be published on the relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (B) a public statement by the administrator of the Reference Rate that it has ceased, or will cease, publishing the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the Reference Rate that the Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of SONIA as a consequence of which the Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences either generally, or in respect of the RCIs; or
- (E) a public statement by the supervisor of the administrator of the Reference Rate that, in the view of such supervisor, the Reference Rate is no longer representative of an underlying market or the methodology to calculate the Reference Rate has materially changed; or
- (F) it has or will become unlawful for the Principal Paying Agent or the Issuer to calculate any payments due to be made to any RCI Holders or Couponholders using the Reference Rate (including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable);

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

**"Relevant Nominating Body"** means, in respect of a benchmark, reference rate or screen rate (as applicable):

- (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the reference rate or mid-swap floating leg benchmark rate relates, or any other central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark, reference rate or screen rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the reference rate or mid-swap floating leg benchmark rate relates, (b) any other central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate or mid-swap floating leg benchmark rate, (c) a group of the aforementioned central banks or other supervisory authorities, (d) the International Swaps and Derivatives Association, Inc. or any part thereof, or (e) the Financial Stability Board or any part thereof; and

**"Successor Rate"** means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate (for the avoidance of doubt, whether or not the Reference Rate has ceased to be available) which is formally recommended by any Relevant Nominating Body.

2. The following paragraph shall be added at the end of Condition 13 (*Meetings of RCI Holders, Modification, Waiver and Substitution*):

In addition, the Trustee shall be obliged to consent to such modifications to the Trust Deed, the Paying Agency Agreement and these Terms and Conditions as may be required in order to give effect to Condition 5(f) in connection with implementing any Alternative Reference Rate, Successor Rate, Adjustment Spread or related changes referred to in Condition 5(f) without the requirement for the consent or sanction of the RCI Holders or the Couponholders. Such consent shall be subject to the receipt by the Trustee of a certificate from the Issuer certifying that the



proposed modifications to the Trust Deed, the Paying Agency Agreement and these Terms and Conditions are required in order to give effect to Condition 5(f), and the Trustee shall be entitled to rely on such certificate without further enquiry and without liability to any person.

3. Condition 21 (*Definitions*) shall be amended as follows:

3.1 The definitions for "Coupon Determination Date" and "Day Count Fraction" shall be deleted and replaced with the following respective definitions, in the appropriate place in alphabetical order:

**"Coupon Determination Date"** means, (i) if Condition 5(b)(ii) applies, in relation to each Reset Date, the first day of each Reset Period or (ii) if Condition 5(b)(iii) applies, in respect of any Reset Period, the date falling 5 London Banking Days prior to the Coupon Payment Date for such Reset Period (or the date falling 5 London Banking Days prior to such earlier date, if any, on which the RCIs become due and payable);

**"Day Count Fraction"** means (i) in respect of the period from (and including) the Issue Date to (but excluding) the First Reset Date the actual number of days elapsed divided by the actual number of days in the relevant Coupon Period and (ii) in respect of each Coupon Period after the First Reset Date, (a) the actual number of days elapsed divided by 365 or (in the case of a Coupon Period ending in a leap year) 366, if Condition 5(b)(ii) applies or (b) the actual number of days elapsed divided by 365, if Condition 5(b)(iii) applies;

3.2 The following definitions shall be added in appropriate places in alphabetical order:

**"Adjustment Rate"** means, subject as provided below, the adjustment rate that is to apply in respect of any Reset Date if an Index Cessation Event in respect of three-month sterling LIBOR has occurred on or before the Coupon Determination Date, being the rate specified on Bloomberg screen "SBP0003M Index", or any successor page, as calculated by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time) in relation to Sterling LIBOR in such tenor on the date such Index Cessation Event occurs, but if such screen rate is negative, the Adjustment Rate shall be deemed to be 0 per cent.; provided that if, in relation to any Reset Period, the Coupon Rate applicable to the RCIs during such Reset Period shall be that determined as at the last preceding Coupon Determination Date and such Coupon Rate was determined in accordance with Condition 5(b)(ii), then the Adjustment Rate in respect of such Reset Period only shall be deemed to be 0 per cent;

**"Compounded Daily SONIA"**, with respect to a Reset Period, will be calculated by the Principal Paying Agent on the relevant Coupon Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

**"d"** means, for any Reset Period, the number of calendar days in such Reset Period;

**"d<sub>o</sub>"** means, for any Reset Period, the number of London Banking Days in such Reset Period;

**"i"** means, for any Reset Period, a series of whole numbers from one to d<sub>o</sub>, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in such Reset Period to, and including, the last London Banking Day in such Reset Period;

**"Index Cessation Event"** means an Index Cessation Event as defined in Supplement number 70 to the 2006 ISDA Definitions, as amended or supplemented from time to time, and, for the purposes of these Terms and Conditions and the definition of "Index Cessation Event" therein, the "Applicable Rate" as used therein is three-month Sterling LIBOR;

**"London Banking Day"** or **"LBD"** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n<sub>i</sub>**" for any London Banking Day "i", in the relevant Reset Period, the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**p**" means 5 London Banking Days;

"**Reference Period**" means, in respect of a Reset Period, the period from, and including, the date falling 5 London Banking Days prior to the first day of such Reset Period and ending on, but excluding, the date which is 5 London Banking Days prior to the Coupon Payment Date for such Reset Period (or the date falling 5 London Banking Days prior to such earlier date, if any, on which the RCIs become due and payable);

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on SONIO/N Index (or if that page is unavailable, as otherwise is published by such authorised distributors) (the "**Screen Page**") on the London Banking Day immediately following such London Banking Day; and

"**SONIA<sub>i-PLBD</sub>**" means, in respect of any London Banking Day "i" falling in the relevant Reset Period, the SONIA Reference Rate for the London Banking Day falling 5 London Banking Days prior to the relevant London Banking Day "i".

*For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.*

#### **Amendments to the Trust Deed of the RCIs**

1. The following provision shall be added as a new paragraph at the end of Clause 13.1 (*Modification and Substitution - General*):

In addition, the Trustee shall be obliged to accept such changes to the interest provisions in the circumstances and as otherwise set out in Condition 5(f).

2. Item (ii) in the proviso to paragraph 2 of Schedule 3 (*Provisions for Meetings of RCI Holders*) shall be deleted and replaced with the following:
  - (ii) Other than a change expressly permitted without the consent of RCI Holders or Couponholders pursuant to the Conditions, reducing or cancelling the principal amount of, any premium payable on redemption of, or interest on, or varying the method of calculating the rate of interest or reducing the minimum rate of interest on, the RCIs; or