Clifford Chance

EXECUTION VERSION

VANQUIS BANKING GROUP PLC

and

M&G TRUSTEE COMPANY LIMITED

TRUST DEED
RELATING TO
£100,000,000 8.250 PER CENT. FIXED RATE RESET SUBORDINATED CALLABLE NOTES DUE 2037
(WITH AUTHORITY TO ISSUE FURTHER NOTES)

CONTENTS

THIS TRUST DEED is made on 21 May 2026.

BETWEEN:

(1) **VANQUIS BANKING GROUP PLC** (the "**Issuer**"); and

(2) **M&G TRUSTEE COMPANY LIMITED** (the "**Trustee**", which expression includes, where the context admits, all persons for the time being the trustee or trustees of this Trust Deed).

WHEREAS

(A) The Issuer has authorised the creation and issue of £100,000,000 in aggregate principal amount of 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037 to be constituted in relation to this Trust Deed.

(B) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.

NOW THIS DEED WITNESSES AND IT IS HEREBY DECLARED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Trust Deed the following expressions have the following meanings:

"**Agency Agreement**" means, in relation to the Notes of any relevant series, the agreement appointing the initial Agents in relation to such Notes and any other agreement for the time being in force appointing Successor agents in relation to such Notes, together with any agreement for the time being in force amending or modifying with the prior written approval of the Trustee any of the aforesaid agreements in relation to such Notes;

"**Agent Bank**" means, in relation to the Notes of any relevant series, the bank named as such in the Conditions of such Notes and/or, if applicable, any Successor agent bank in relation to such Notes;

"**Agents**" means the Principal Paying Agent, the other Paying Agents, the Registrar, the Agent Bank, the Transfer Agents, or any of them;

"**Appointee**" means any delegate, agent, nominee or custodian appointed or engaged by the Trustee pursuant to the provisions of this Trust Deed;

"**Authorised Signatory**" means any person who (i) is a Director or the Secretary of the Issuer or (ii) has been notified by the Issuer in writing to the Trustee as being duly authorised to sign documents and to do other acts and things on behalf of the Issuer for the purposes of this Trust Deed and the Notes.

"**Certificate**" means the Original Certificate and any other certificate representing Further Notes or any of them;

"**Clearstream, Luxembourg**" means Clearstream Banking, S.A.;

"**Competent Authority**" means the United Kingdom Prudential Regulation Authority or any successor or replacement thereto or such other authority in the United Kingdom (or if the Issuer becomes domiciled in a jurisdiction other than the United Kingdom, such other jurisdiction) having primary responsibility for the prudential oversight and supervision of the Issuer and/or the Group;

"**Conditions**" means, in relation to the Original Notes, the terms and conditions to be endorsed on the Original Certificates, in the form or substantially in the form set out in Part B of Schedule 2 (*Terms and Conditions of the Notes*), and, in relation to any Further Notes, the terms and conditions endorsed on the related Certificates in accordance with the supplemental deed relating thereto or substantially in the form set out or referred to in the supplemental deed relating thereto, as any of the same may from time to time be modified in accordance with this Trust Deed and any reference in this Trust Deed to a particular numbered Condition shall be construed in relation to the Original Notes accordingly and any reference in this Trust Deed to a particular numbered Condition in relation to any Further Notes shall be construed as a reference to the provision (if any) in the Conditions of such Further Notes which corresponds to the particular numbered Condition of the Original Notes;

"**Default**" means; (i) the occurrence of a Winding Up Event or (ii) the failure of the Issuer to pay any amount that has become due and payable under the Notes as provided in Condition 10(a)(i) (*Enforcement Events and Remedies – Enforcement Events - Non-payment*);

"**Electronic Consent**" has the meaning set out in Schedule 3 (*Provisions for Meetings of Holders*);

"**Euroclear**" means Euroclear Bank SA/NV;

"**Extraordinary Resolution**" has the meaning set out in Schedule 3 (*Provisions for Meetings of Holders*);

"**Further Notes**" means any bonds or notes of the Issuer constituted in relation to a deed supplemental to this Principal Trust Deed pursuant to Clause 2.3 (*Further Issues*) and for the time being outstanding or, as the context may require, a specific number thereof;

"**Global Certificate**" means the Original Global Certificate and any other global certificates representing the Further Notes or any of them;

"**Group**" means the Issuer and each entity which is part of the UK prudential consolidation group (as that term, or its successor, is used in the Regulatory Capital Requirements) of which the Issuer is part from time to time;

"**Holder**" means an Original Holder or a person in whose name a Further Note is registered in the Register (or in the case of joint Holders, the first named thereof);

"**Individual Certificates**" means the Original Individual Certificate and any other individual certificates representing the Further Notes or any of them;

"**Liabilities**" means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges but excluding for the avoidance of doubt any taxes, duties, levies or imposts or other charges (other than value added tax or any similar tax) assessed on the Trustee under the law of the jurisdiction in which the Trustee is incorporated in relation to its remuneration hereunder to the extent that such taxes, levies, duties or imposts or other charges are imposed on or calculated by reference to the net income received or receivable by it) including any amounts in respect of any value added tax or similar tax in respect thereof and legal fees and expenses on a full indemnity basis;

"**Notes**" means the Original Notes and any Further Notes;

"**Original Certificate**" means any Original Global Certificate or Original Individual Certificate and includes any replacement Certificate issued pursuant to Condition 11 (*Replacement of Certificates*);

"**Original Global Certificate**" means the Original Global Certificate representing the Notes to be issued pursuant to Clause 4.1 (*Global Certificate*) in the form or substantially in the form set out in Schedule 1 (*Form of Original Global Certificate*);

"**Original Individual Certificate**" means any Individual Certificate representing a Holder's entire holding of Notes, in or substantially in the form set out in Part A of Schedule 2 (*Form of Original Individual Certificate*);

"**Original Holder**" means a person in whose name an Original Note is registered in the register of Holders thereof;

"**Original Notes**" means the notes in registered form, in denominations of £100,000 and integral multiples of £1,000 in excess thereof, each comprising the £100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037 constituted in relation to this Trust Deed, to be represented by a Certificate or Certificates, in or substantially in the form set out in Schedules 1 (*Form of Original Global Certificate*) and 2 (*Form of Original Individual Certificate*), and for the time being outstanding or, as the case may be, a specific number thereof and includes any replacement Original Notes issued pursuant to Condition 11 (*Replacement of Certificates*) and (except for the purposes of Clause 4.1 (*Global Certificate*) and 4.3 (*Signature*)) the Original Global Certificate for so long as it has not been exchanged in accordance with the terms thereof;

"**outstanding**" means, in relation to the Notes, all the Notes other than:

(a) those which have been redeemed in accordance with Condition 7(a) (*Redemption and Purchase; Substitution and Variation - Scheduled Redemption*), Condition 7(b) (*Redemption and Purchase; Substitution and Variation - Redemption at the option of the Issuer*), 7(c) (*Redemption and Purchase; Substitution and Variation - Redemption for regulatory reasons*), 7(d) (*Redemption and Purchase; Substitution and Variation - Redemption for tax reasons*) or 7(e) (*Redemption and Purchase; Substitution and Variation - Clean-up Call Option*);

(b) those in respect of which the date for redemption in accordance with the provisions of the Conditions has occurred and for which the redemption moneys (including all interest accrued thereon to the date for such redemption) have been duly paid to the Trustee or the Principal Paying Agent in the manner provided for in the Trust

Deed and the Agency Agreement (and, where appropriate, notice to that effect has been given to the relevant Holders in accordance with Condition 12 (*Notices*)) and remain available for payment in accordance with the Conditions;

(c) those which have been purchased and surrendered for cancellation as provided in Condition 7 (*Redemption and Purchase; Substitution and Variation*) and notice of the cancellation of which has been given to the Trustee;

(d) those substituted pursuant to Condition 7(f) (*Redemption and Purchase; Substitution and Variation – Substitution or Variation*);

(e) those which have become void under Condition 9 (*Prescription*); and

(f) any Global Certificate to the extent it shall have been exchanged for another Global Certificate in respect of the Notes or for Individual Certificates, in each case pursuant to its provisions;

provided that:

(i) for each of the following purposes, namely:

(A) the right to attend and vote at any meeting of Holders or to sign any Written Resolutions or to provide Electronic Consent to a resolution;

(B) the determination of how many and which Notes are for the time being outstanding for the purposes of Clauses 8.1 (*Legal Proceedings*) and 7.1 (*Waiver*), Conditions 10 (*Enforcement Events and Remedies*) and 13 (*Meetings of Holders, Modification, Waivers and Substitution*) and Schedule 3 (*Provisions for Meetings of Holders*);

(C) any discretion, power or authority, whether contained in this Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Holders or any of them; and

(D) the determination by the Trustee whether any event, circumstances, matter or thing is, in its opinion, materially prejudicial to the interests of the Holders or any of them,

those Notes (if any) which are for the time being held by any person (including but not limited to the Issuer or any Subsidiary) for the benefit of the Issuer or any Subsidiary shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

"**Paying Agents**" means, in relation to the Notes of any relevant series, the several institutions (including, where the context permits, the Principal Paying Agent) at their respective Specified Offices initially appointed pursuant to the relative Agency Agreement and/or, if applicable, any Successor paying agents, in relation to such Notes at their respective Specified Offices;

"**Principal Paying Agent**" means, in relation to the Notes of any series, the institution at its Specified Office initially appointed as principal paying agent in relation to such Notes pursuant to the relative Agency Agreement or, if applicable, any Successor principal paying agent in relation to such Notes at its Specified Office;

"**Principal Trust Deed**" means the Trust Deed constituting the Original Notes;

"**Register**" means the register maintained by the Registrar at its Specified Office;

"**Registrar**" means, in relation to the Notes of any relevant series, the institution at its Specified Office initially appointed as registrar in relation to such Notes pursuant to the relative Agency Agreement or, if applicable, any Successor registrar in relation to such Notes at its Specified Office;

"**Repay**" shall include "**redeem**" and *vice versa* and "**repaid**", "**repayable**", "**repayment**", "**redeemed**", "**redeemable**" and "**redemption**" shall be construed accordingly;

"**Shortfall**" means, in respect of the Issuer, in the event that notwithstanding the subordination effected by Clause 3.2 (*Status and Subordination of the Notes - Subordination*) any amounts are paid to the Trustee in a Winding Up or Qualifying Procedure in respect of the claims of the Holders without the claims of Senior Creditors being paid in full, the amount by which the aggregate amount paid or distributable by the liquidator in a Winding Up or Qualifying Procedure as aforesaid in respect of the claims of Senior Creditors is less than the amount of the claims of Senior Creditors;

"**Specified Office**" means, in relation to any Agent, either the office identified with its name in the Conditions of the Notes of the relevant series or any other office notified to any relevant parties pursuant to the Agency Agreement;

"**Subsidiary**" has the meaning given to it in Section 1159 of the Companies Act 2006;

"**Successor**" means, in relation to the Agents, such other or further person, as may from time to time be appointed pursuant to the Agency Agreement as an Agent;

"**this Trust Deed**" means this Principal Trust Deed and the Schedules (as from time to time modified in accordance with the provisions contained herein) and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions hereof (as from time to time modified as aforesaid) and expressed to be supplemental hereto;

"**Transfer Agent**" means, in relation to the Notes of any relative series, the institution(s) at their respective Specified Offices initially appointed pursuant to the relevant Agency Agreement and/or, if applicable, any Successor transfer agents in relation to such Notes at their respective Specified Offices;

"**Trustee Acts**" means, both the Trustee Act 1925 and the Trustee Act 2000 of England and Wales;

"**Written Resolution**" has the meaning set out in Schedule 3 (*Provisions for Meetings of Holders*);

1.2 **Principles of interpretation**

In this Trust Deed references to:

1.2.1 *Statutory modification*: a provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment;

1.2.2 *Additional amounts*: interest, if any, in respect of the Notes shall be deemed also to include references to any additional amounts which may be payable under Condition 8 (*Taxation*);

1.2.3 *Tax*: costs, charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof;

1.2.4 *Currency abbreviation:* "**£**" or "**pounds sterling**" means the lawful currency for the time being of the United Kingdom;

1.2.5 *Enforcement of rights*: an action, remedy or method of judicial proceedings for the enforcement of rights of creditors permitted herein and in the Conditions shall include, in respect of any jurisdiction other than England, to the extent so permitted, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdictions as shall most nearly approximate thereto;

1.2.6 *Clauses and Schedules*: a Schedule, a Clause or sub-clause, paragraph or sub-paragraph is, unless otherwise stated, to a schedule hereto or a clause or sub-clause, paragraph or sub-paragraph hereof respectively;

1.2.7 *Clearing systems*: Euroclear and/or Clearstream, Luxembourg shall, wherever the context so admits, be deemed to include references to any additional or alternative clearing system approved by the Issuer and the Trustee;

1.2.8 *Records*: any reference to records of a clearing system shall be to the records that each of the clearing systems holds for its customers which reflect the amount of such customers' interests in the Notes (but excluding any interest in any Notes of one clearing system shown in the records of another clearing system);

1.2.9 *Trust Corporation*: a trust corporation denotes a corporation entitled by rules made under the Public Trustee Act 1906 to act as a custodian trustee or entitled pursuant to any other legislation applicable to a trustee in any jurisdiction other than England to act as trustee and carry on trust business under the laws of the country of its incorporation;

1.2.10 *Gender*: words denoting the masculine gender shall include the feminine gender also, words denoting individuals shall include companies, corporations and partnerships and words importing the singular number only shall include the plural and in each case *vice versa*; and

1.2.11 references in this Trust Deed to "reasonable" or "reasonably" and similar expressions relating to the Trustee and any exercise of power, opinion, determination or other similar matter shall be construed as meaning reasonable or reasonably (as the case may be) having due regard to, and taking into account the interests of, the Holders.

1.3 **The Conditions**

In this Trust Deed, unless the context requires or the same are otherwise defined, words and expressions defined in the Conditions and not otherwise defined herein shall have the same meaning in this Trust Deed.

1.4 **Headings**

The headings and sub-headings are for ease of reference only and shall not affect the construction of this Trust Deed.

1.5 **The Schedules**

The schedules are part of this Trust Deed and shall have effect accordingly.

2. **COVENANT TO REPAY**

2.1 **Covenant to Repay**

The Issuer covenants with the Trustee that it will, if and when the Original Notes or any of them become due to be redeemed, or on such earlier date as the same or any part thereof may become due and repayable thereunder, in accordance with the Conditions (subject to and in accordance with, where applicable, Clause 3 (*Status and Subordination of the Notes*) unconditionally pay or procure to be paid to or to the order of the Trustee in pounds sterling in London in same day freely transferable funds the principal amount of the Original Notes or any of them becoming due for redemption or repayment on that date and shall (subject to the provisions of the Conditions and Clause 3 (*Status and Subordination of the Notes*)) until all such payments (both before and after judgment or other order of any court of competent jurisdiction) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions interest on the principal amount of the Original Notes or any of them outstanding from time to time subject to and as set out in the Conditions *provided that*:

2.1.1 any payment of principal or interest in respect of the Original Notes or any of them made to the Principal Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause 2.1 (*Covenant to Repay*) except to the extent that there is default in the subsequent payment thereof to the Original Holders in accordance with the Conditions or, such subsequent payment is not made by reason of Clause 3 (*Status and Subordination of the Notes*) or Conditions 3 (*Status*) and 4 (*Subordination*);

2.1.2 if any payment of principal or interest in respect of the Original Notes or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Original Holders or, if earlier, the seventh day after notice has been given to the Original Holders in accordance with the Conditions that the full amount has been received by the Principal Paying Agent or the Trustee except, in the case of payment to the Principal Paying Agent, to the extent that there is failure in the subsequent payment to the Original Holders under the Conditions; and

2.1.3 in any case where payment of the whole or any part of the principal amount due in respect of any Original Note is improperly withheld or refused upon due surrender (if so provided for in the Conditions) of the Original Certificate (other than in circumstances contemplated by paragraph 2.1.2 (*Covenant to Repay*) above) or, once made to the Trustee or to the account of or with the Principal Paying Agent, is not made by reason of Clause 3 (*Status and Subordination of the Notes*) and Conditions 3 (*Status*) and 4 (*Subordination*), such Original Note shall bear interest, in accordance with and subject to, the Conditions, on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount is paid to the Original Holders or, if earlier, the seventh day after which notice is given to the Original Holders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the Original Holders *provided that* on further due surrender thereof (if so provided for in the Conditions) such payment is in fact made.

The Trustee will hold the benefit of this covenant and the covenant in Clause 5 (*Covenant to comply with Trust Deed and Schedules*) on trust for the Original Holders.

2.2 **Following a Default**

At any time after any Default shall have occurred, the Trustee may:

2.2.1 by notice in writing to the Issuer, the Principal Paying Agent and the other Agents require the Principal Paying Agent and the other Agents or any of them:

(a) to act thereafter, until otherwise instructed by the Trustee, as Agents of the Trustee under the provisions of this Trust Deed on the terms provided in the Agency Agreement (with consequential amendments as necessary and save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Agents shall be limited to amounts for the time being held by the Trustee on the trusts of this Trust Deed in relation to the Notes on the terms of this Trust Deed and available to the Trustee for such purpose) and thereafter to hold all Certificates and all sums, documents and records held by them in respect of Notes on behalf of the Trustee; and/or

(b) to deliver up all Certificates and all sums, documents and records held by them in respect of Notes to the Trustee or as the Trustee shall direct in such notice *provided that* such notice shall be deemed not to apply to any document or record which the relevant Agent is obliged not to release by any law or regulation; and

2.2.2 by notice in writing to the Issuer require the Issuer to make all subsequent payments in respect of Notes to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, sub-clause 2.1.1 of Clause 2.1 (*Covenant to Repay*) and (so far as it concerns payments by the Issuer) Clause 9.4 (*Payment to Holders*) shall cease to have effect.

2.3 **Further Issues**

2.3.1 The Issuer shall be at liberty from time to time (but subject always to the provisions of this Trust Deed) without the consent of the Holders to create and issue further notes or debt securities howsoever designated either ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so as to form a single series with the Original Notes and/or Further Notes of any series or upon such terms as to interest, redemption and otherwise as the Issuer may at the time of the issue thereof determine.

2.3.2 Any further notes or debt securities howsoever designated created and issued pursuant to the provisions of sub-clause 2.3.1 (*Further Issues*) shall, if they are to form a single series with the Original Notes, and/or Further Notes of any series, be constituted in relation to a deed supplemental to this Principal Trust Deed and in any other case, if the Trustee so agrees, may be so constituted. In any such case the Issuer shall prior to the issue of any such further notes or bonds, execute and deliver to the Trustee a deed supplemental to this Principal Trust Deed (if applicable, duly stamped or denoted) and containing a covenant by the Issuer in the form *mutatis mutandis* of Clause 2.1 (*Covenant to repay*) of this Principal Trust Deed in relation to the principal and interest in respect of such further notes or debt securities howsoever designated and such other provisions (corresponding to any of the provisions contained in this Trust Deed) as the Trustee shall require.

2.3.3 A memorandum of every such supplemental trust deed shall be endorsed by the Trustee on this Principal Trust Deed and by the Issuer on the duplicate of this Principal Trust Deed.

2.3.4 Any Further Notes not forming a single series with the Original Notes or any other series of Further Notes shall form a separate series and accordingly, unless for any purpose the Trustee at its absolute discretion shall otherwise determine, all the provisions of this Trust Deed (other than Clauses 2.1 (*Covenant to Repay*) and 4.1 to 4.3 inclusive (*The Original Notes*) and Schedules 1 (*Form of Original Global Certificate*) and 2 (*Form of Original Individual Certificate*)) shall apply separately to each series of the Notes, and in this Trust Deed (other than such Clauses and Schedules) the expression "Notes" and "Holders" shall be construed accordingly.

3. **STATUS AND SUBORDINATION OF THE NOTES**

3.1 **Status**

The Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu,* without any preference among themselves. In the event of a Winding Up or Qualifying Procedure, the rights and claims of the Holders in respect of or arising from the

Notes (including any damages (if payable)) are subordinated to the claims of all Senior Creditors.

3.2 **Subordination**

3.2.1 In the event of a Winding Up or a Qualifying Procedure, the rights and claims of the Holders and the Trustee (on behalf of the Holders but not the rights and claims of the Trustee in its personal capacity under this Trust Deed) against the Issuer in respect of or arising under the Notes and this Trust Deed (including any amounts attributable to the Notes and this Trust Deed and any damages awarded for breach of any obligations (if payable)) will (i) be subordinated to the claims of all Senior Creditors; (ii) rank at least *pari passu* with the claims of Parity Creditors; and (iii) rank in priority to the claims of Junior Creditors and, accordingly, no amount shall be payable to the Holders in respect of the Notes until the claims of all Senior Creditors admitted in the Winding Up or Qualifying Procedure have been satisfied.

3.2.2 Accordingly, any amounts paid to the Trustee in the Winding Up or Qualifying Procedure in respect of the claims of the Holders shall be held by the Trustee upon trust:

(a) firstly, for application in payment or satisfaction of all Liabilities properly incurred by or payable to the Trustee or its Appointees (including remuneration and other amounts payable to it under this Trust Deed) in carrying out its functions under this Trust Deed;

(b) secondly, in payment or satisfaction of the Liabilities properly incurred by or payable to the Agents (including remuneration and other amounts payable to them under the Agency Agreement) in carrying out their functions under the Agency Agreement;

(c) thirdly, to the extent of any Shortfall, for distribution in or towards payment or satisfaction of the claims of Senior Creditors in respect of the Issuer; and

(d) fourthly, in or towards payment *pari passu* and rateably of any amounts payable in respect of each Note (to the respective extents that the claims in the name of the Trustee in respect thereof shall be admitted in such Winding Up or Qualifying Procedure).

The said trust for distribution in respect of the claims of Senior Creditors may be performed by the Trustee by repaying to the liquidator of the Issuer any amount to be so distributed on terms that the liquidator shall distribute the same accordingly, and in that event the receipt of the liquidator for the moneys so paid by the Trustee to the liquidator shall be a good discharge to the Trustee and the Trustee shall not be bound to supervise or be in any way responsible for such distribution.

3.2.3 The Trustee shall be entitled and is hereby authorised from time to time to call for, and may rely on without liability to any person, certificates from the liquidator of the Issuer as to:

(a) the claims of Senior Creditors in respect of the Issuer and the persons entitled thereto and their respective entitlements;

(b) the date upon which the claims of Senior Creditors were, or the liquidator considers will be, paid or discharged in full; and

(c) any Shortfall or, as the case may be, any Shortfall estimated by the liquidator.

Any certificate (other than a certificate of estimated Shortfall) given by the liquidator of the Issuer as aforesaid shall be conclusive and binding on the Trustee and the Holders.

3.3 **No right of set-off**

Subject to applicable law, neither a Holder or the Trustee may exercise or claim or plead any right of set-off, compensation, retention or netting in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with, the Notes or this Trust Deed and each Holder will, by virtue of his holding of any Note, be deemed, to the fullest extent permitted by applicable law, to have waived all such rights of set-off, compensation, retention and netting. Notwithstanding the preceding sentence, if any of the amounts due and payable to any Holder by the Issuer in respect of, arising under or in connection with the Notes is discharged by set-off, compensation, retention or netting, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of a Winding Up or Qualifying Procedure, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

3.4 **Trustee shall rank as Senior Creditor**

The foregoing provisions of this Clause 3 (*Status and Subordination of the Notes*) and Condition 4 (*Subordination*) apply only to the principal, interest and other amounts under or arising from the Notes (including any damages awarded for breach of any obligations in respect of the Notes), and nothing in Clause 3 (*Status and Subordination of the Notes*) or Conditions 4 (*Subordination*), 6 (*Payments*) or 10 (*Enforcement Events and Remedies*) shall affect or prejudice the payment of any Liabilities properly incurred by or payable to the Trustee or its Appointees including remuneration of the Trustee and other amounts payable to it under this Trust Deed or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as a Senior Creditor of the Issuer.

3.5 **No restriction on the rights of the Issuer**

Nothing contained in this Trust Deed shall in any way restrict the right of the Issuer to issue debt obligations, or to give any guarantee of any nature, ranking in priority to or *pari passu* with or junior to the obligations of the Issuer in respect of the Notes and, if the Issuer delivers a certificate signed by two Authorised Signatories to the Trustee certifying that certain modifications to the provisions of Clause 3 (*Status and Subordination of the Notes*) shall be necessary or expedient to permit such ranking and setting out the proposed modifications thereto, which certificate shall be conclusive and binding on all parties and the Holders, the Trustee is hereby authorised without the consent of any Holder but subject to Clause 7.2 (*Modifications*) to concur with the Issuer in executing a supplemental trust deed effecting such modification, *provided that* the Trustee shall not be obliged to agree to any such modification which, in the sole opinion of the Trustee, would have the effect of (a) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (b) increasing the obligations or duties, or decreasing the protections and/or rights, of the Trustee in this Trust Deed and/or the Conditions.

4. THE ORIGINAL NOTES

4.1 Global Certificate

The Original Notes will initially be represented by the Original Global Certificate in the principal amount of £100,000,000. Interests in the Original Global Certificate shall be exchangeable, in accordance with its terms for Original Individual Certificates.

4.2 Original Individual Certificates

The Original Individual Certificates will be security printed in accordance with applicable legal and stock exchange requirements substantially in the forms set out in Schedule 2 (*Form of Original Individual Certificate*). The Original Certificates will be endorsed with the Conditions.

4.3 Signature

The Original Global Certificate and the Original Individual Certificates will be signed by an Authorised Signatory of the Issuer and will be authenticated by or on behalf of the Principal Paying Agent. The Issuer may use the facsimile signature of a person who at the date of this Trust Deed is such a duly Authorised Signatory even if at the time of issue of any Original Certificates such person no longer holds that office. Original Certificates so executed and duly authenticated will be binding and valid obligations of the Issuer.

4.4 Entitlement to treat Holder as owner

The Issuer, the Trustee and any Paying Agent may deem and treat the Holder of any Certificate as the absolute owner of such Certificate, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate Holder of such Certificate (whether or not the Note represented by such Certificate shall be overdue and notwithstanding any notation of ownership or other writing thereon or any notice of previous loss or theft of such Certificate) for all purposes and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Trustee and the Paying Agents shall not be affected by any notice to the contrary. All payments made to any such Holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon the Notes.

5. COVENANT TO COMPLY WITH TRUST DEED AND SCHEDULES

The Issuer covenants with the Trustee to comply with those provisions of this Trust Deed and the Conditions which are expressed to be binding on it and to perform and observe the same. The Notes are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Holders and all persons claiming through or under them respectively. The Conditions shall be binding on the Issuer and the Holders.

6. COVENANTS BY THE ISSUER

The Issuer hereby covenants with the Trustee that, so long as any of the Notes remain outstanding, it will:

6.1 Books of account

At all times keep and procure that all its Subsidiaries keep such books of account and, at any time after a Default has occurred or the Trustee reasonably believes that such an event has occurred, so far as permitted by applicable law, allow and procure its Subsidiaries to allow the Trustee and any person appointed by it, to whom the Issuer has no reasonable objection, free access to the same at all reasonable times during normal business hours;

6.2 Default

Give notice to the Trustee in writing immediately upon becoming aware of any Default;

6.3 Certificate of Compliance

Provide to the Trustee within 14 days of its annual audited financial statements being made available to its members and also within 14 days of any request by the Trustee, a certificate, signed by two Authorised Signatories of the Issuer certifying that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a specified date not earlier than seven days prior to the date of such certificate (the "**Certified Date**") there did not exist nor had there existed since the Certified Date in respect of the previous such certificate (or, in the case of the first such certificate, since the date of this Trust Deed) any Default (or if such exists or existed specifying the same) and that during the period from and including the Certified Date of the previous such certificate (or, in the case of the first such certificate, since the date of this Trust Deed) the Issuer has complied with its obligations under this Trust Deed or (if such is not the case) specifying the same;

6.4 Financial statements

Send to the Trustee at the time of their issue, and, in the case of annual financial statements in any event within 120 days after the end of each financial year and in the case of semi-annual consolidated financial statements in any event within 90 days after the end of the first half of each financial year, a copy in English of every balance sheet, profit and loss account, report or other notice, statement or circular issued, or which legally or contractually should be issued, to the members or creditors (or any class of them) of the Issuer generally in their capacity as such;

6.5 Information

So far as permitted by applicable law, give the Trustee such information (including, without limitation, the certificates called for by the Trustee pursuant to Clause 6.3 (*Certificate of Compliance*)) as it reasonably requires to perform its functions;

6.6 **Notes held by Issuer**

Send to the Trustee as soon as practicable after being so requested by the Trustee a certificate of the Issuer signed by any two of its Authorised Signatories stating the number of Notes held at the date of such certificate by or on behalf of the Issuer or its Subsidiaries;

6.7 **Further acts**

So far as permitted by applicable law, do such further things as may be necessary in the opinion of the Trustee to give effect to this Trust Deed or the Agency Agreement;

6.8 **Notification of late payment**

In the event of the unconditional payment to the Principal Paying Agent or the Trustee of any sum that becomes due and payable in respect of the Notes or any of them being made after the date on which they became due and payable for payment thereof, promptly give notice to the Holders in accordance with Condition 12 (*Notices*) that such payment has been made;

6.9 **Notification of redemption, substitution, variation or repayment**

Not less than the number of days specified in the relevant Condition prior to the redemption, substitution, variation or repayment date in respect of any Note, give to the Trustee notice in writing of the amount of such redemption, substitution, variation or repayment pursuant to the Conditions and duly proceed to redeem, substitute, vary or repay such Notes accordingly;

6.10 **Notices to Holders**

Other than notices provided under Clause 6.9 (*Notification of redemption, substitution, variation or repayment*), send or procure to be sent to the Trustee not less than three Business Days prior to the date of publication for the Trustee's approval, one copy of each notice to be given to the Holders in accordance with the Conditions and not publish such notice without such approval and, upon publication, send to the Trustee a copy of such notice (such approval, unless so expressed, not to constitute approval of such notice for the purpose of Section 21 of the Financial Services and Markets Act 2000), *provided that*, so long as the Notes are admitted to listing or trading on any stock exchange, such notice is also given in a manner which does not breach any applicable rules and regulations of a stock exchange or other relevant authority and any applicable law;

6.11 **Listing**

Use all reasonable endeavours to maintain the admission to trading of the Notes on the International Securities Market of the London Stock Exchange plc but, if it is unable to do so, having used such endeavours, or if the maintenance of such listing or trading is certified to the Trustee to be unduly onerous, instead use all reasonable endeavours to obtain and maintain a listing of the Notes on another stock exchange and the admission to trading of the Notes on another market;

6.12 **Legal Opinions**

Prior to making any modification or amendment or supplement to this Trust Deed or the Conditions, procure (at the request of the Trustee) the delivery of a legal opinion(s) as to the validity and enforceability under English law of the relevant modification or amendment or supplement, addressed to the Trustee, dated the date of such modification or amendment or supplement, as the case may be, and in a form acceptable to the Trustee from legal advisers acceptable to the Trustee;

6.13 **Agents**

At all times maintain a Principal Paying Agent, a Registrar and an Agent Bank. The Issuer shall promptly give notice to the Holders in accordance with Condition 12 (*Notices*) of any termination or appointment of any Agent and of any changes in the specified offices of any Agent.

7. **AMENDMENTS AND SUBSTITUTION**

7.1 **Waiver**

Subject to Clause 7.3 (*PRA Permission*), the Trustee may, without any consent or sanction of the Holders and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its opinion the interests of the Holders shall not be materially prejudiced thereby, authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any breach or proposed breach of any of the covenants or provisions contained in this Trust Deed or the Notes or determine that any Default shall not be treated as such for the purposes of this Trust Deed; any such authorisation, waiver or determination shall be binding on the Holders and the Issuer shall cause such authorisation, waiver or determination to be notified to the Holders as soon as practicable thereafter in accordance with the Condition relating thereto; *provided that* the Trustee shall not exercise any powers conferred upon it by this Clause 7 (*Amendments and Substitution*) in contravention of any express direction by an Extraordinary Resolution or a request under Condition 10 (*Enforcement Events and Remedies*) (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made) or so as to authorise or waive any such breach or proposed breach relating to any of the matters the subject of the Reserved Matters as specified and defined in Schedule 3 (*Provisions for Meetings of Holders*).

7.2 **Modifications**

7.2.1 Except where the Trustee is bound pursuant to Condition 7(f) (*Redemption and Purchase; Substitution and Variation - Substitution or Variation*) to give effect to the amendments described therein, and subject to Clause 7.3 (*PRA Permission*), the Trustee may at any time without any consent of the Holders agree to (a) (other than in respect of a Reserved Matter) any modification of any of the Conditions or any of the provisions of this Trust Deed or the Agency Agreement which in the opinion of the Trustee is not materially prejudicial to the interests of the Holders or (b) (irrespective of whether the same constitutes a Reserved Matter) any modification of the Conditions or any of the provisions of this Trust Deed or the Agency Agreement if in the opinion of the Trustee such modification is of a formal, minor or technical nature or made to correct a manifest error. Any such modification shall be binding on the Holders and the Issuer shall cause such modification to be notified to the Holders as soon as practicable thereafter in accordance with the Conditions.

7.2.2 The Trustee shall be obliged (at the expense of the Issuer and subject as provided in the Conditions) to agree with the Issuer in making any amendments and modifications to this Trust Deed and the Conditions as may be required pursuant to Condition 7(f) (*Redemption and Purchase; Substitution and Variation - Substitution or Variation*), and to execute any such deeds supplemental to this Trust Deed, *provided that* the Trustee shall not be bound to do so if any such amendments, modifications or deeds would, in the opinion of the Trustee, have the effect of (i) exposing the Trustee to any liability against which it is not indemnified and/or secured and/or pre-funded to its satisfaction, (ii) changing, increasing or adding to the obligations or duties of the Trustee or (iii) removing or amending any protection or indemnity afforded to, or any other provision in favour of, the trustee under this Trust Deed, the Conditions and/or the Notes.

7.3 **PRA Permission**

The Conditions and this Trust Deed shall only be capable of modification or waiver if the Issuer has obtained the relevant PRA Permission (and such PRA Permission has not been revoked by the relevant date of such modification or waiver) or if the Issuer has notified the PRA of such modification or waiver, to the extent then required under the Capital Regulations.

7.4 **Substitution**

7.4.1 The Trustee may, without the consent of the Holders but subject to Clause 7.3 (*PRA Permission*) (and such PRA Permission not having been revoked by the relevant date of any substitution effected pursuant to this Clause 7.4), agree with the Issuer to the substitution on a subordinated basis equivalent to that referred to in Condition 3 (*Status*) and Condition 4 (*Subordination*) in place of the Issuer (or of any previous substitute under this Clause) as the principal debtor under the Notes, this Trust Deed and the Agency Agreement of any Subsidiary of the Issuer (the "**Substitute**") *provided that*:

(a) a deed is executed or some other form of undertaking is given by the Substitute in form and manner satisfactory to the Trustee, agreeing to be bound by the terms of this Trust Deed, with any consequential amendments which the Trustee may deem appropriate, as fully as if the Substitute had been named in this Trust Deed, the Agency Agreement and on the Notes, as the principal debtor in place of the Issuer (or of any previous substitute under this Clause);

(b) two directors of the Substitute certify that the Substitute is solvent at the time at which the said substitution is proposed to be effected and will remain solvent immediately after such substitution is effected (and the Trustee may rely absolutely on such certification and shall not be bound to have regard to the financial condition, profits or prospects of the Substitute or to compare the same with those of the Issuer);

(c) if the Substitute is incorporated, domiciled or resident in a territory other than the United Kingdom, an undertaking or covenant shall be given by the Substitute in terms corresponding to Condition 8 (*Taxation*) with the substitution for the references to the United Kingdom in the definition of "Relevant Jurisdiction" with references to such territory, whereupon this Trust Deed, the Conditions and the Notes shall be read accordingly;

(d) if the Notes had a published rating solicited by the Issuer from one or more rating agencies at any time in the period of 12 months prior to the substitution, then the Notes are assigned by each such rating agency, or each such rating agency has informed the Issuer by an announcement or otherwise of its intention to assign, an equal or higher published solicited rating immediately after the substitution;

(e) if the Notes comply with the then current minimum requirements of the PRA in relation to Tier 2 Capital immediately prior to the substitution, the Notes continue to comply with the then current minimum requirements of the PRA in relation to Tier 2 Capital immediately following the substitution;

(f) if the Notes are listed on the International Securities Market of the London Stock Exchange plc or any other stock exchange or market immediately prior to the substitution, the Notes continue to be listed on the International Securities Market of the London Stock Exchange plc or on such other stock exchange or market immediately following the substitution; and

(g) the substitution does not cause a Capital Disqualification Event or a Tax Event to occur in respect of the Notes immediately following the substitution.

7.4.2 In connection with any proposed substitution, the Trustee shall not have regard to, or be in any way liable for, the consequences of such substitution 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. No Holder shall, in connection with any such substitution, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Holders.

7.4.3 Any agreement by the Trustee pursuant to sub-clause 7.4.1 shall, if so expressed, operate to release the Issuer (or such previous substitute as aforesaid) from any or all of its obligations as principal debtor under the Notes and this Trust Deed. Any substitution pursuant to this Clause shall be notified by the Issuer to the Holders in accordance with Condition 12 (*Notices*) not less than 15 nor more than 60 days' prior to such substitution taking effect; and

7.4.4 Upon the execution of such documents and compliance with the said requirements, the Substitute shall be deemed to be named in this Trust Deed, the Agency Agreement and the Notes as the principal debtor in place of the Issuer (or of any previous substitute under this Clause) and this Trust Deed, the Agency Agreement and the Notes shall thereupon be deemed to be amended in such manner as shall be necessary to give effect to the substitution and without prejudice to the generality of the foregoing any references in this Trust Deed, the Agency Agreement and in the Notes to the Issuer shall be deemed to be references to the Substitute.

8. ENFORCEMENT

8.1 Legal Proceedings

8.1.1 In the circumstances set out in Condition 10 (*Enforcement Events and Remedies*), the Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings against the Issuer as are permitted in Condition 10 (*Enforcement Events and Remedies*).

8.1.2 No remedy against the Issuer, other than the institution of the steps, actions or proceedings referred to in sub-clause 8.1.1, shall be available to the Trustee or the Holders whether for the recovery of amounts owing in respect of the Notes or under this Trust Deed or in respect of any breach by the Issuer of any of its other obligations under this Trust Deed or the Notes in relation thereto.

8.1.3 Nothing in this sub-clause 8.1 shall affect or prejudice the payment of the Liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

8.1.4 Nothing in this sub-clause 8.1 or Condition 10 (*Enforcement Events and Remedies*) shall, however, prevent the Trustee acting in its personal capacity under this Trust Deed instituting proceedings for the winding up of the Issuer in England (or such other jurisdiction in which the Issuer is organised) (but not elsewhere) and/or proving in any Winding Up or Qualifying Procedure in respect of any payment obligations of the Issuer to the Trustee in respect of any costs, fees, charges, expenses, liabilities or remuneration of the Trustee arising from this Trust Deed (including any damages awarded for breach of any such obligations).

8.1.5 The Trustee shall not be bound to take any of the steps, actions or proceedings referred to in sub-clause 8.1.1 above unless (a) it shall have been so directed by an Extraordinary Resolution or by a request under Condition 10 (*Enforcement Events and Remedies*); and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

8.1.6 No Holder shall be entitled to proceed directly against the Issuer or institute any of the steps, actions or proceedings referred to in sub-clause 8.1.1 except that, if the Trustee, having become bound to proceed against the Issuer as aforesaid, fails to do so or, being able to prove in such Winding Up or Qualifying Procedure, fails to do so, in each case within a reasonable period, and in each such case such failure shall be continuing, then any such Holder may itself institute such steps, actions or proceedings and/or prove and/or claim in such Winding Up or Qualifying Procedure, to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do in respect of its Notes. In such event such Holder may only demand payment to be made to the Trustee and the Trustee shall apply any moneys so received in the manner provided in this Trust Deed.

8.2 Evidence of Default

If the Trustee (or any Holder where entitled under this Trust Deed so to do) makes any claim, institutes any legal proceeding or lodges any proof in a Winding Up or Qualifying Procedure under this Trust Deed or under the Notes, proof therein that as regards any specified Note the Issuer has failed to pay any principal that has become due and payable in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Notes in respect of which a corresponding payment has then become due and for the purposes of the above a payment shall be a "**corresponding**" payment notwithstanding that it has become due in respect of a Note of a different denomination from that in respect of the above specified Note.

9. APPLICATION OF MONEYS

9.1 Application of Moneys

Subject to the provisions of Clause 3 (*Status and Subordination of the Notes*), all moneys received by the Trustee in respect of the Notes or amounts payable under this Trust Deed will (a) despite any appropriation of all or part of them by the Issuer and (b) unless and to the extent attributable in the opinion of the Trustee to a particular series of Notes, be apportioned *pari passu* and rateably between each series of the Notes, and all moneys received by the Trustee under this Trust Deed to the extent attributable in the opinion of the Trustee to a particular series of the Notes or which are apportioned to such series as aforesaid (including any moneys which represent principal or interest in respect of Notes which have become void under the Conditions) be held by the Trustee on trust to apply them (subject to Clause 3 (*Status and Subordination of the Notes*) and Clause 9.3 (*Authorised Investments*)):

9.1.1 *firstly*, in payment or satisfaction of the Liabilities properly incurred by or payable to the Trustee or its Appointees (including remuneration and other amounts payable to it under this Trust Deed) in carrying out its functions under this Trust Deed;

9.1.2 *secondly*, in payment or satisfaction of the Liabilities properly incurred by or payable to the Agents (including remuneration and other amounts payable to them under the Agency Agreement) in carrying out their functions under the Agency Agreement;

9.1.3 *thirdly*, in or towards payment *pari passu* and rateably of any amounts that have become due and payable under the Notes; and

9.1.4 *fourthly*, the balance (if any) in payment to the Issuer.

9.2 **Accumulation**

If the amount of the moneys at any time available for payment of principal and interest in respect of the Notes under Clause 9.1 (*Application of Moneys*) shall be less than a sum sufficient to pay at least one tenth of the principal amount of the Notes then outstanding, the Trustee may, at its discretion, accumulate such moneys until the accumulations, together with any other funds for the time being under the control of the Trustee and available for the purpose shall amount to a sum sufficient to pay at least one tenth of the principal amount of the Notes then outstanding and such accumulation and funds (after deduction of any taxes and any other deductibles applicable thereto) shall then be applied in the manner aforesaid. For the avoidance of doubt, the Trustee shall in no circumstances have any discretion to invest any moneys referred to in this Clause 9.2 *(Accumulation)* in any investments or other assets.

9.3 **Authorised Investments**

9.3.1 The Trustee may at its discretion and pending payment invest moneys at any time available for the payment of principal and interest on the Notes in some or one of the investments hereinafter authorised for such periods as it may consider expedient with power from time to time at the like discretion to vary such investments and to accumulate such investments and the resulting interest and other income derived therefrom. The accumulated investments shall be applied under Clause 9.1 (*Application of Moneys*). All interest and other income deriving from such investments shall be applied first in payment or satisfaction of all amounts then due and unpaid under Clause 11 (*Costs and Expenses*) to the Trustee and/or any Appointee and otherwise held for the benefit of and paid to the Holders.

9.3.2 Any moneys which under the trusts of these presents ought to or may be invested by the Trustee may be invested in the name or under the control of the Trustee in any investments or other assets in any part of the world whether or not they produce income or by placing the same on deposit in the name or under the control of the Trustee at such bank or other financial institution and in such currency as the Trustee may think fit. If that bank or institution is the Trustee or a Subsidiary, holding or associated company of the Trustee, it need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on such a deposit to an independent customer. The Trustee may at any time vary any such investments for or into other investments or convert any moneys so deposited into any other currency and shall not be responsible for any loss resulting from any such investments or deposits, whether due to depreciation in value, fluctuations in exchange rates or otherwise.

9.4 **Payment to Holders**

The Trustee shall give notice to the Holders in accordance with the Conditions of the date fixed for any payment under Clause 9.1 (*Application of Moneys*). Any payment to be made in respect of the Notes by the Issuer or the Trustee may be made in the manner provided in the Conditions, the Agency Agreement and this Trust Deed and any payment so made shall be a good discharge to the extent of such payment, by the Issuer or the Trustee, as the case may be.

9.5 **Production of Certificates**

Upon any payment under Clause 9.4 (*Payment to Holders*) of any amount in respect of the Notes, the Certificate representing the Note in respect of which such payment is made shall, if the Trustee so requires, be produced to the Trustee or the Paying Agent by or through whom such payment is made and the Trustee shall, in the case of part payment, require the Registrar to make a notation in the Register of the amount and date of payment thereon or, in the case of payment of principal in full, shall cause such Certificate to be surrendered or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation.

10. **TERMS OF APPOINTMENT**

By way of supplement to the Trustee Acts, it is expressly declared as follows:

10.1 **Reliance on Information**

10.1.1 *Advice*: The Trustee may act on the opinion or advice of, or information obtained from, any expert and will not be responsible to anyone for any loss occasioned by so acting whether such advice is obtained by or addressed to the Issuer, the Trustee or any other person. Any such opinion, advice or information may be sent or obtained by letter or email and the Trustee will not be liable to anyone for acting in good faith on any opinion, advice or information purporting to be conveyed by such means even if it contains some error or is not authentic. The Trustee may rely without liability to Holders on any report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to the Trustee and whether or not liability in relation thereto is limited by reference to a monetary cap, methodology or otherwise and notwithstanding that the scope and/or basis thereof may be limited by any engagement or similar letter or by the terms thereof;

10.1.2 *Certificate of directors or Authorised Signatories*: the Trustee may call for and shall be at liberty to accept a certificate signed by two Authorised Signatories of the Issuer as to any fact or matter *prima facie* upon which the Trustee may, in the exercise of any of its functions, require to be satisfied, or to have information to the effect that, in the opinion of the person or persons so certifying, any particular act is expedient and the Trustee need not call for further evidence and will not be responsible for any Liabilities that may be occasioned by acting on any such certificate;

10.1.3 *Resolution or direction of Holders*: the Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Holders in respect whereof minutes have been made and signed or a direction of a specified percentage of Holders or any Extraordinary Resolution passed by way of Electronic Consent, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions or to have been passed by way of Electronic

Consent was not approved by the requisite number of Holders or that the resolution was not valid or binding upon the Holders;

10.1.4 *Reliance on certification of clearing system*: the Trustee may call for and shall be at liberty to accept and place full reliance on as sufficient evidence thereof and shall not be liable to the Issuer or any Holder by reason only of either having accepted as valid or not having rejected an original certificate or letter of confirmation purporting to be signed on behalf of Euroclear or Clearstream, Luxembourg or any other relevant clearing system in relation to any matter;

10.1.5 *Holders as a class*: whenever in this Trust Deed the Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Holders, it shall have regard to the interests of the Holders as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences of such exercise for any individual Holder resulting from his or its being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory;

10.1.6 *Trustee not responsible for investigations*: the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Notes, or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;

10.1.7 *No obligation to monitor*: the Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Notes or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of written notice of a breach of obligation, to assume that each such person is properly performing and complying with its obligations;

10.1.8 *Notes held by the Issuer*: in the absence of written notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate of the Issuer under Clause 6.6 (*Notes held by Issuer*)), that no Notes are for the time being held by or for the benefit of the Issuer or its Subsidiaries;

10.1.9 *Entry on the Register*: the Trustee shall not be liable to the Issuer or any Holder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct;

10.1.10 *Default*: The Trustee need not notify anyone of the execution of this Trust Deed or do anything to find out if a default has occurred. Until it has actual knowledge or express notice to the contrary, the Trustee may assume that no such event has occurred and that the Issuer is performing all its obligations under this Trust Deed;

10.1.11 *Right to Deduct or Withhold*: notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed; and

10.1.12 *Execution of the Trust Deed:* the Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed or any other document relating or expressed to be supplemental thereto and shall not be liable for any failure to obtain any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed or any other document relating or expressed to be supplemental thereto.

10.2 **Trustees powers and duties**

10.2.1 *Trustee's determination*: The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of this Trust Deed or contained in the Notes is in its opinion capable of remedy and/or materially prejudicial to the interests of the Holders and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Holders, such certificate shall be conclusive and binding upon the Issuer and the Holders;

10.2.2 *Determination of questions*: as between itself and the Holders the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, will be conclusive and shall bind the Trustee and the Holders;

10.2.3 *Trustee's discretion*: the Trustee will have absolute and uncontrolled discretion as to the exercise of its functions and will not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience which may result from their exercise or non-exercise. In particular, the Trustee shall not be bound to act at the request or direction of the Holders or otherwise under any provision of this Trust Deed unless (without prejudice to the generality of this Clause 10.2.3) it shall first be indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing;

10.2.4 *Trustee's consent*: any consent or approval given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit and notwithstanding anything to the contrary in this Trust Deed may be given retrospectively. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in this Trust Deed) if it is satisfied that the interests of the Holders will not be materially prejudiced thereby. For the avoidance of doubt, the Trustee shall not have any duty to the Holders in relation to such matters other than that which is contained in the preceding sentence;

10.2.5 *Conversion of currency*: where it is necessary or desirable to convert any sum from one currency to another, it will (unless otherwise provided hereby or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may be agreed by the Trustee in consultation with the Issuer. Any rate, method and date so specified will be binding on the Issuer and the Holders;

10.2.6 *Application of proceeds*: the Trustee will not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, any exchange of Notes or the delivery of Notes to the persons entitled to them;

10.2.7 *Delegation*: whenever it considers it expedient in the interests of the Holders, the Trustee may delegate to any person on any terms (including power to sub-delegate) all or any of its functions;

10.2.8 *Agents*: whenever it considers it expedient in the interests of the Holders, the Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money);

10.2.9 *Custodians and nominees*:

(a) in relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its nominee on any terms;

(b) the Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof. The Trustee is not obliged to appoint a custodian of securities payable to bearer;

10.2.10 *Appointees:* if the Trustee exercises reasonable care in selecting any custodian, agent, delegate or nominee appointed under this clause (an "**Appointee**"), it will not have any obligation to supervise the Appointee or be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee's misconduct or default or the misconduct or default of any substitute appointed by the Appointee;

10.2.11 *Illegality*: no provision of this Trust Deed shall require the Trustee to do anything which may be illegal or contrary to applicable law or regulation. The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction or, to the extent applicable, of England. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or England or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or in England or if it is determined by any court or other competent authority in that jurisdiction or in England that it does not have such power; and

10.2.12 *Confidential information*: the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Holder confidential information or other information made available to the Trustee by the Issuer or any other person in connection with this Trust Deed and no Holder shall be entitled to take any action to obtain from the Trustee any such information.

10.3 **Financial matters**

10.3.1 *Professional charges*: Any Trustee being a lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by such Trustee or its firm in connection with the trusts of this Trust Deed and also his proper charges in addition to disbursements for all other work and business done and all time spent by such Trustee or its firm in connection with matters arising in connection with this Trust Deed;

10.3.2 *Expenditure by the Trustee*: nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any Liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has reasonable grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it; and

10.3.3 *Trustee contracting with the Issuer*: neither the Trustee nor any director or officer or holding company, Subsidiary or associated company of a corporation acting as a trustee under these presents shall by reason of its or his fiduciary position be in any way precluded from:

(a) entering into or being interested in any contract or financial or other transaction or arrangement with the Issuer or any person or body corporate associated with the Issuer (including without limitation any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities or financial advice to, or the purchase, placing or underwriting of or the subscribing or procuring subscriptions for or otherwise acquiring, holding or dealing with, or acting as paying agent in respect of, the Notes or any other notes, bonds, stocks, shares, debenture stock, debentures or other securities of, the Issuer, or any person or body corporate associated as aforesaid); or

(b) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Issuer or any such person or body corporate so associated or any other office of profit under the Issuer or any such person or body corporate so associated,

and shall be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement as is referred to in (a) above or, as the case may be, any such trusteeship or office of profit as is referred to in (b) above without regard to the interests of the Holders and notwithstanding that the same may be contrary or prejudicial to the interests of the Holders and shall not be responsible for any Liability occasioned to the Holders thereby and shall be entitled to retain and shall not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

Where any holding company, Subsidiary or associated company of the Trustee or any director or officer of the Trustee acting other than in his capacity as such a director or officer has any information, the Trustee shall not thereby be deemed also to have knowledge of such information and, unless it shall have actual knowledge of such information, shall not be responsible for any loss suffered by Holders resulting from the Trustee's failing to take such information into account in acting or refraining from acting under or in relation to these presents.

10.4 **Trustee Liability**

Section 1 of the Trustee Act 2000 shall not apply to any function of the Trustee, *provided that* if the Trustee fails to show the degree of care and diligence required of it as trustee, nothing in this Trust Deed shall relieve or indemnify it from or against any liability which would otherwise attach to it in respect of any gross negligence, wilful default, breach of duty or breach of trust of which it may be guilty. Where there are any inconsistencies between the Trustee Acts and the provisions of this Trust Deed, the provisions of this Trust Deed shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of this Trust Deed shall constitute a restriction or exclusion for the purposes of that Act.

11. COSTS AND EXPENSES

11.1 Remuneration

11.1.1 *Normal Remuneration:* So long as any Note is outstanding, the Issuer shall pay to the Trustee remuneration for its services as trustee such sum on such dates as they may from time to time agree. Such remuneration will accrue from day to day from the date of this Trust Deed. If any payment to a Holder of moneys due in respect of a Note is improperly withheld or refused, such remuneration will again accrue as from the date of such withholding or refusal until payment to such Holder is duly made;

11.1.2 *Extra Remuneration*: In the event of the occurrence of a Default the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee considers it expedient or necessary or is requested by the Issuer to undertake duties which the Trustee determines to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time), or, failing agreement as to any of the matters in this subclause (or as to such sums referred to in Clause 11.1.1), as determined by a financial institution or person (acting as an expert) selected by the Trustee and approved by the Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and such financial institution's or person's fee will be borne by the Issuer. The determination of such financial institution or person will be conclusive and binding on the Issuer, the Trustee and the Holders;

11.1.3 *Value added tax*: The Issuer shall pay to the Trustee an amount equal to the amount of any value added tax or similar tax ("**VAT**") chargeable in respect of its remuneration under this Trust Deed only upon receipt of a VAT invoice from the Trustee in respect of the supply for which that remuneration is the consideration for VAT purposes;

11.1.4 *Expenses*: The Issuer will also on demand by the Trustee pay or discharge all costs, charges, liabilities and expenses properly incurred by the Trustee in the preparation and execution of this Trust Deed and the performance of its functions under this Trust Deed including, but not limited to, legal and travelling expenses and any stamp, documentary or other taxes or duties paid by the Trustee in connection with any legal proceedings reasonably brought or contemplated by the Trustee against the Issuer to enforce any provision of this Trust Deed. Such costs, charges, liabilities and expenses will:

(a) in the case of payments made by the Trustee before such demand carry interest from the date specified in such demand at a rate equivalent to the Trustee's cost of funding for such time as such amount remains outstanding; and

(b) in other cases carry interest at such rate from 30 days after the date of the demand or (where the demand specifies that payment is to be made on an earlier date) from such earlier date.

11.1.5 *Indemnity*: Without prejudice to the right of indemnity by law given to trustees, the Issuer shall indemnify the Trustee and every Appointee and keep it indemnified against all Liabilities to which it may be or become subject or which may be properly incurred by it in the preparation and execution or purported execution of any of its duties, trusts, powers, authorities and discretions under this Trust Deed or its functions under any such appointment or in respect of any other matter or thing properly done or omitted in any way relating to this Trust Deed or any such appointment (including all Liabilities incurred in disputing or defending any of the foregoing). The Contracts (Rights of Third Parties) Act 1999 applies to this Clause 11.1.5.

11.1.6 *No set-off, counterclaim, deduction or withholding:* The Issuer hereby undertakes to the Trustee that all monies payable by the Issuer to the Trustee under this Clause 11 shall be made without set-off, counterclaim or deduction or withholding unless compelled by law in which event the Issuer will pay such additional amounts as will result in the receipt by the Trustee of the amounts which would otherwise have been payable by the Issuer to the Trustee under this clause in the absence of any such set-off, counterclaim, deduction or withholding.

11.1.7 *Indemnity and pre-funding;* The Trustee shall not be bound to take any step or action in connection with this Trust Deed or the Notes or obligations arising pursuant thereto, including, but not limited to, forming an opinion or employing any financial adviser, where it is not satisfied that it is indemnified and/or secured and/or pre-funded against all its liabilities and costs incurred in connection with such step or action and may demand prior to taking any such step or action that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify and/or secure and/or pre-fund it.

11.1.8 *Discharges*: Unless otherwise specifically stated in any discharge of this Trust Deed the provisions of this Clause 11.1 (*Remuneration*) shall continue in full force and effect notwithstanding such discharge or as regards the Trustee.

11.2 **Stamp duties**

The Issuer will pay all stamp duties, registration taxes, capital duties and other similar duties or taxes (if any) payable on (a) the constitution and issue of the Notes, (b) the initial delivery of the Notes (c) any action taken by the Trustee (or any Holder where permitted or required under this Trust Deed so to do) to enforce the provisions of the Notes or this Trust Deed and (d) the execution of this Trust Deed. The Issuer will also indemnify the Trustee (or any Holder where permitted under this Trust Deed so to do) from and against all stamp, issue, documentary or other taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Trustee or, as the case may be, the Holders to enforce the Issuer's under this Trust Deed or the Notes.

11.3 **Indemnities separate**

The indemnities in this Trust Deed constitute separate and independent obligations from the other obligations in this Trust Deed (but without prejudice to the subordination provisions of Clause 3 (*Status and Subordination of the Note*)), will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Trustee and/or any Holder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed or the Notes or any other judgment or order. Any such Liability as referred to in sub-clause 11.1.5 (*Indemnity*) shall be deemed to constitute a Liability suffered by the Trustee or its Appointees, as the case may be, and no proof or evidence of any actual Liability shall be required by the Issuer or its liquidator or liquidators.

12. APPOINTMENT AND RETIREMENT

12.1 Appointment of Trustees

The power of appointing new trustees of this Trust Deed shall be vested in the Issuer but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution. A trust corporation may be appointed sole trustee hereof but subject thereto there shall be at least two trustees hereof one at least of which shall be a trust corporation. Any appointment of a new trustee hereof shall as soon as practicable thereafter be notified by the Issuer to the Agents and to the Holders. The Holders shall together have the power, exercisable by Extraordinary Resolution, to remove any trustee or trustees for the time being hereof. The removal of any trustee shall not become effective unless there remains a trustee hereof (being a trust corporation) in office after such removal.

12.2 Co-trustees

Notwithstanding the provisions of Clause 12.1 (*Appointment of Trustees*), the Trustee may, upon giving prior notice to the Issuer but without the consent of the Issuer or the Holders, appoint any person established or resident in any jurisdiction (whether a trust corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee:

12.2.1 if the Trustee considers such appointment to be in the interests of the Holders; or

12.2.2 for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed; or

12.2.3 for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction either of a judgment already obtained or of this Trust Deed.

12.3 Attorneys

The Issuer hereby irrevocably appoints the Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of this Trust Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Trustee by this Trust Deed) and such duties and obligations as shall be conferred on such person or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such proper remuneration as the Trustee may pay to any such person, together with any attributable costs, charges and expenses incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of this Trust Deed be treated as costs, charges and expenses incurred by the Trustee.

12.4 Retirement of Trustees

Any Trustee for the time being of this Trust Deed may retire at any time upon giving not less than 90 days' prior notice in writing to the Issuer without assigning any reason therefor and without being responsible for any costs occasioned by such retirement. The retirement of any Trustee shall not become effective unless there remains a trustee hereof (being a trust corporation) in office after such retirement. The Issuer hereby covenants that in the event of the only trustee hereof which is a trust corporation giving notice under this Clause 12.4 (*Retirement of Trustees*) it shall use its best endeavours to procure a new trustee, being a trust corporation, to be appointed as soon as reasonably practicable and if the Issuer has not procured the appointment of a new trustee within 90 days of the expiry of the Trustee notice referred to in this Clause 12.4 (*Retirement of Trustees*), the Trustee shall be entitled to procure a new trustee.

12.5 **Competence of a majority of Trustees**

Whenever there shall be more than two trustees hereof the majority of such trustees shall (provided such majority includes a trust corporation) be competent to execute and exercise all the trusts, powers, authorities and discretions vested by this Trust Deed in the Trustee generally.

12.6 **Powers additional**

The powers conferred by this Trust Deed upon the Trustee shall be in addition to any powers which may from time to time be vested in it by general law or as the Holder of any of the Notes.

12.7 **Merger**

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Clause 12.7 (*Merger*), without the execution or filing of any paper or any further act on the part of any of the parties hereto.

13. **NOTICES**

13.1 **Addresses for notices**

Any notice or demand to the Issuer or the Trustee to be given, made or served for any purposes under this Trust Deed shall be given, made or served by sending the same by pre-paid post (first class if inland, first class airmail if overseas), email or by delivering it by hand as follows:

13.1.1 *Issuer*: If to the Issuer, to it at:

Vanquis Banking Group plc
Fairburn House
5 Godwin Street
Bradford
West Yorkshire BD1 2AH
United Kingdom

Email: CompanySecretariat@vanquis.com
Attention: Treasurer and Company Secretary

13.1.2 *Trustee*: if to the Trustee, to it at:

M&G Trustee Company Limited
10 Fenchurch Avenue
London EC3M 5AG

Email: trustees@mandg.com
Attention: Corporate Trust Manager

13.2 **Effectiveness**

Communications will take effect, in the case of post, when delivered and in the case of an email, when the relevant receipt of such email being read is given or where no receipt is requested by the sender at the time of sending, *provided that* no delivery failure notification is received by the sender, within 24 hours of sending such email; *provided that* any communication which is received (or deemed to take effect in accordance with the foregoing) after 5:00 p.m. on a business day or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Trust Deed which is to be sent by facsimile will be written legal evidence.

If the Trustee is requested to act on instructions or directions delivered by email or any other unsecured method of communication, the Trustee shall have:

13.2.1 no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Issuer, and

13.2.2 no liability for any losses, liabilities, costs or expenses incurred or sustained by the Issuer as a result of such reliance upon or compliance with such instructions or directions.

14. **LAW AND JURISDICTION**

14.1 **Governing law**

This Trust Deed and any non-contractual obligations arising out of or in connection with this Trust Deed are governed by, and shall be construed in accordance with, English Law.

14.2 **English courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising from or connected with this Trust Deed or the Notes (including a dispute relating to non-contractual obligations arising from or in connection with this Trust Deed or the Notes, or a dispute regarding the existence, validity or termination of this Trust Deed or the Notes) or the consequences of their nullity.

14.3 **Appropriate forum**

The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

15. SEVERABILITY

In case any provision in or obligation under this Trust Deed shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Trust Deed except and to the extent (if any) that this Trust Deed expressly provides for such Act to apply to its terms, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

17. COUNTERPARTS

This Trust Deed and any trust deed supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same deed and any party to this Trust Deed or any trust deed supplemental hereto may enter into the same by executing and delivering a counterpart.

IN WITNESS WHEREOF this Trust Deed has been executed as a deed by the parties hereto and is intended to be and is hereby delivered on the date first before written.

SCHEDULE 1
FORM OF ORIGINAL GLOBAL CERTIFICATE

THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY SECURITIES LAW OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS.

ISIN: XS3331518715

VANQUIS BANKING GROUP PLC

(incorporated with limited liability under the laws of England and Wales)

£100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037

GLOBAL CERTIFICATE

1. **Introduction**: This Global Certificate is issued in respect of the £100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037 (the "**Notes**") of Vanquis Banking Group plc (the "**Issuer**"). The Notes are constituted by, are subject to, and have the benefit of, a trust deed (as amended or supplemented from time to time, the "**Trust Deed**") dated 21 May 2026 between the Issuer and M&G Trustee Company Limited as trustee (the "**Trustee**", which expression includes all persons for the time being appointed trustee or trustees under the Trust Deed) and are the subject of an agency agreement dated 21 May 2026 (as amended or supplemented from time to time, the "**Agency Agreement**") and made between the Issuer, The Bank of New York Mellon SA/NV, Dublin Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), The Bank of New York Mellon, London Branch as principal paying agent, the other paying agents and the transfer agents named therein and the Trustee.

2. **References to Conditions**: Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes attached hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof. Words and expressions defined in the Conditions shall have the same meanings when used in this Global Certificate.

3. **Registered Holder**:

   This is to certify that:

   The Bank of New York Depository (Nominees) Limited

   is the person registered in the register maintained by the Registrar in relation to the Notes (the "**Register**") as the duly registered holder (the "**Holder**") of

£100,000,000

(ONE HUNDRED MILLION POUNDS STERLING)

in aggregate principal amount of Notes or such other principal amount as may from time to time be entered in the Register in accordance with the Agency Agreement and this Global Certificate.

4. **Promise to pay**: The Issuer, for value received, hereby promises to pay such amount or amounts as the same may become due and payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

5. **Exchange for Individual Certificates**: This Global Certificate will be exchanged in whole (but not in part) for duly authenticated and completed individual certificates ("**Individual Certificates**") in substantially the form (subject to completion) set out in Schedule 2 Part A (*Form of Individual Certificate*) to the Trust Deed if any of the following events occurs:

   (a) Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**" and together with Euroclear, the "**Clearing Systems**") is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or

   (b) a Winding Up Event occurs;

   (c) the Issuer fails to pay any amount that has become due and payable under the Notes as provided in Condition 10(a)(i) (*Enforcement Events and Remedies – Enforcement Events – Non-payment*).

   Such exchange shall be effected in accordance with paragraph 6 (*Delivery of Individual Certificates*). The Issuer shall notify the Holder of the occurrence of any of the events specified in (a) and (b) above as soon as practicable thereafter.

6. **Delivery of Individual Certificates**: Whenever this Global Certificate is to be exchanged for Individual Certificates, such Individual Certificates shall be issued in an aggregate principal amount equal to the principal amount of this Global Certificate within five business days of the delivery, by or on behalf of the Holder, Euroclear and/or Clearstream, Luxembourg, to the Registrar of such information as is required to complete and deliver such Individual Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Certificates are to be registered and the principal amount of each such person's holding) against the surrender of this Global Certificate at the Specified Office (as defined in the Conditions) of the Registrar. Such exchange shall be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any Holder or the Trustee, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

7. **Payment Conditions**:

(a) *Payment Business Day*: In relation to payments made in respect of this Global Certificate, so long as this Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system, the definition for "**payment business day**" in Condition 6(d) (*Payment on Business Days*) shall be amended and shall be any day on which banks are open for general business (including dealings in foreign currencies) in London.

(b) *Payment Record Date*: Each payment made in respect of this Global Certificate will be made to the person shown as the Holder in the Register at the close of business (in the relevant Clearing System) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which this Global Certificate is being held is open for business.

(c) *Discharge of Issuer's obligations*: All payments in respect of this Global Certificate which, according to the Conditions, require surrender or endorsement of a Certificate will be made against surrender of this Global Certificate (or in the case of part payment only, endorsement) to or to the order of the Holder and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes.

8. **Calculation of interest:** For so long as all of the Notes outstanding are represented by this Global Certificate, interest will be calculated in respect of the aggregate principal amount of the Notes represented by this Global Certificate (and not per Calculation Amount as provided in Condition 5(b) (*Calculation of interest*)) but otherwise in accordance with Condition 5 (*Interest*).

9. **Conditions apply**: Save as otherwise provided herein, the Holder of this Global Certificate shall have the benefit of, and be subject to, the Conditions and, for the purposes of this Global Certificate, any reference in the Conditions to "**Certificate**" or "**Certificates**" shall, except where the context otherwise requires, be construed so as to include this Global Certificate.

10. **Notices**: Notwithstanding Condition 12 (*Notices*), so long as the Notes are represented by this Global Certificate deposited with a depositary or a common depositary for the Clearing Systems or any other Clearing System (an "**Alternative Clearing System**"), notices to Holders represented by this Global Certificate may be given by delivery of the relevant notice to the Clearing Systems and/or such Alternative Clearing System (as the case may be) and, in any case, such notices shall be deemed to have been given to Holders in accordance with Condition 12 (*Notices*) on the same day on which such notice is delivered to the Clearing Systems and/or such Alternative Clearing System *provided that*, so long as the Notes are admitted to listing or trading on any stock exchange, such notice is also given in a manner which complies with the rules and regulations of such stock exchange or other relevant authority.

11. **Determination of entitlement**: This Global Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Global Certificate.

12. **Authentication**: This Global Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of The Bank of New York Mellon SA/NV, Dublin Branch as registrar.

13. **Governing law**: This Global Certificate and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

AS WITNESS the signature of a duly authorised person for and on behalf of the Issuer.

VANQUIS BANKING GROUP PLC

By: ....
(*duly authorised*)

By: ....
(*duly authorised*)

ISSUED on 21 May 2026

AUTHENTICATED for and on behalf of

THE BANK OF NEW YORK MELLON SA/NV, DUBLIN BRANCH
as registrar without recourse, warranty
or liability

By: ....
(*duly authorised*)

FORM OF TRANSFER

FOR VALUE RECEIVED ...., being the registered Holder of this Certificate, hereby transfers to...

....of...
....
.... £..................................... in principal amount of the £100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037 (the "**Notes**") of Vanquis Banking Group plc (the "**Issuer**") and irrevocably requests and authorises The Bank of New York Mellon SA/NV, Dublin Branch in its capacity as registrar in relation to the Notes (or any successor to The Bank of New York Mellon SA/NV, Dublin Branch in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated: ....

By: ....
(*duly authorised*)

Notes

The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered Holder as it appears on the face of this Global Certificate.

(a) A representative of such registered Holder should state the capacity in which he signs, e.g. executor.

(b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered Holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.

(c) Any transfer of Notes shall be in an amount equal to £100,000 or an integral multiple of £1,000 in excess thereof.

All transfers must be made in accordance with the detailed regulations concerning transfer of the Notes scheduled to this Certificate.

SCHEDULE 2

PART A
FORM OF ORIGINAL INDIVIDUAL CERTIFICATE

THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY SECURITIES LAW OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS.

Serial Number: …………

VANQUIS BANKING GROUP PLC

(incorporated with limited liability under
the laws of England and Wales)

£100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037

This Certificate is issued in respect of the £100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037 (the "**Notes**") of Vanquis Banking Group plc (the "**Issuer**"). The Notes are constituted by, are subject to, and have the benefit of, a trust deed (as amended or supplemented from time to time, the "**Trust Deed**") dated 21 May 2026 between the Issuer and M&G Trustee Company Limited as trustee (the "**Trustee**", which expression includes all persons for the time being appointed trustee or trustees under the Trust Deed) and are the subject of an agency agreement (as amended or supplemented from time to time, the "**Agency Agreement**") dated 21 May 2026 and made between the Issuer, The Bank of New York Mellon SA/NV, Dublin Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), The Bank of New York Mellon, London Branch as principal paying agent, the other paying agents and the transfer agents named therein and the Trustee.

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes endorsed hereon and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

This is to certify that:

……………………………………………………………………………………

of ……………………………………………………………………………

……………………………………………………………………………………

is the person registered in the register maintained by the Registrar in relation to the Notes (the "**Register**") as the duly registered holder or, if more than one person is so registered, the first-named of such persons (the "**Holder**") of:

£………………………………………………………………

(.. pounds sterling)

in aggregate principal amount of the Notes.

The Issuer, for value received, hereby promises to pay such amount or amounts as the same may become payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

This Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Certificate.

This Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of The Bank of New York Mellon SA/NV, Dublin Branch as registrar.

AS WITNESS the signature of a duly authorised person for and on behalf of the Issuer.

VANQUIS BANKING GROUP PLC

By: ....
(*duly authorised*)

By: ....
(*duly authorised*)

ISSUED as of [●] 2026
AUTHENTICATED for and on behalf of
THE BANK OF NEW YORK MELLON SA/NV, DUBLIN BRANCH
as registrar without recourse, warranty
or liability

By: ....
(*duly authorised*)

FORM OF TRANSFER

FOR VALUE RECEIVED ...., being the registered Holder of this Certificate, hereby transfers to.. .... of.. .... £ .... in principal amount of the £100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037 (the "**Notes**") of Vanquis Banking Group plc (the "**Issuer**") and irrevocably requests and authorises The Bank of New York Mellon SA/NV, Dublin Branch in its capacity as registrar in relation to the Notes (or any successor to The Bank of New York Mellon SA/NV, Dublin Branch in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated: ....

By: ....
(*duly authorised*)

Notes

The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered Holder as it appears on the face of this Certificate.

(a) A representative of such registered Holder should state the capacity in which he signs, *e.g.* executor.

(b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered Holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.

(c) Any transfer of Notes shall be in an amount equal to £100,000 or an integral multiple of £1,000 in excess thereof.

[Attached to each Certificate:]

[Terms and Conditions as set out in Schedule 2 Part B of the Trust Deed]

[At the foot of the Terms and Conditions:]

PRINCIPAL PAYING AGENT AND AGENT BANK

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

REGISTRAR AND TRANSFER AGENT

The Bank of New York Mellon SA/NV, Dublin Branch
The Shipping Office
20 – 26 Sir John Rogerson's Quay
Dublin 2, D02 Y049
Ireland

PART B
TERMS AND CONDITIONS OF THE NOTES

The £100,000,000 8.250 per cent. Fixed Rate Reset Subordinated Callable Notes due 2037 (the "**Notes**", which expression shall in these Conditions, unless the context otherwise requires, include any further Notes issued pursuant to Condition 15 (*Further Issues*) which are consolidated and form a single series with the Notes) of Vanquis Banking Group plc (the "**Issuer**") are constituted by a trust deed dated 21 May 2026 (as amended and/or restated and/or supplemented from time to time, the "**Trust Deed**") made between the Issuer and M&G Trustee Company Limited (the "**Trustee**", which expression shall include all persons from time to time being trustee or trustees appointed under the Trust Deed) as trustee for the Holders.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Copies of the Trust Deed and the agency agreement dated 21 May 2026 (as amended and/or restated and/or supplemented from time to time, the "**Agency Agreement**") made between the Issuer, the Registrar and the other Agents and the Trustee (i) are available for inspection during normal business hours by prior arrangement by the Holders at the registered office for the time being of the Trustee or (ii) may be provided by email to a Holder following its prior written request to the Trustee or the Principal Paying Agent, in each case upon provision of proof of holding of Notes and identity (in a form satisfactory to the Trustee or the Principal Paying Agent, as applicable). The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all of the provisions of the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement applicable to them.

1. **FORM, DENOMINATION AND TITLE**

The Notes are issued in registered form in denominations of £100,000 and integral multiples of £1,000 in excess thereof (each, an "**Authorised Denomination**").

The Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(a) (*Transfer of Notes*), each Certificate shall represent the entire holding of Notes by the same Holder.

Title to the Notes shall pass by registration in the register of the Holders that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Note shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the Holder. In these Conditions, "**Holder**" means the person in whose name a Note is registered in the register of Holders (or, in the case of a joint holding, the first named thereof).

2. **TRANSFER OF NOTES**

(a) *Transfer of Notes*

One or more Notes may, subject to Condition 2(d) (*Closed Periods*), be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require; **provided, however, that** a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a holder are being transferred) the principal amount of the balance of Notes not transferred are Authorised Denominations. A new Certificate shall be issued to the transferee in respect of the Notes the subject of the relevant transfer and, in the case of a transfer of part only of a holding of Notes represented by one Certificate, a new Certificate in respect of the balance of the Notes not transferred shall be issued to the transferor. In the case of a transfer of Notes to a person who is already a Holder of Notes, a new Certificate representing the enlarged holding may be issued but only against surrender of the Certificate representing the existing holding of such person. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Holder upon request.

(b) *Delivery of New Certificates*

Each new Certificate to be issued pursuant to Condition 2(a) (*Transfer of Notes*) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the relevant Certificate. Delivery of new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery and surrender of such form of transfer and Certificate or, as the case may be, surrender of such Certificate, shall have been made or, at the option of the relevant Holder and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Certificate to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(b) (*Delivery of New Certificates*) "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(c) *Transfers Free of Charge*

Transfers of Notes and the issue of new Certificates on transfer shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(d) *Closed Periods*

No Holder may require the transfer of a Note to be registered (i) during the period of 15 days ending on the date fixed for redemption of the Notes pursuant to

Condition 7 (*Redemption and Purchase; Substitution and Variation*) or (ii) during the period of seven days ending on (and including) any Record Date.

3. **STATUS**

The Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu*, without any preference among themselves. In the event of a Winding Up or Qualifying Procedure, the rights and claims of the Holders in respect of or arising from the Notes (including any damages (if payable)) are subordinated to the claims of Senior Creditors.

4. **SUBORDINATION**

(a) *Subordination*

In the event of a Winding Up or a Qualifying Procedure, the rights and claims of the Holders and the Trustee (on behalf of the Holders but not the rights and claims of the Trustee in its personal capacity under the Trust Deed) against the Issuer in respect of or arising under the Notes and the Trust Deed (including any amounts attributable to the Notes and the Trust Deed and any damages awarded for breach of any obligations (if payable)) will (i) be subordinated in the manner provided in this paragraph (a) and in the Trust Deed to the claims of all Senior Creditors; (ii) rank at least *pari passu* with the claims of Parity Creditors; and (iii) rank in priority to the claims of Junior Creditors and, accordingly, no amount shall be payable to the Holders in respect of the Notes until the claims of all Senior Creditors admitted in the Winding Up or Qualifying Procedure have been satisfied.

(b) *No set-off*

Subject to applicable law, no Holder may exercise or claim or plead any right of set-off, compensation, retention or netting in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with, the Notes or the Trust Deed and each Holder will, by virtue of their holding of any Note, be deemed, to the fullest extent permitted by applicable law, to have waived all such rights of set-off, compensation, retention and netting. Notwithstanding the preceding sentence, if any of the amounts due and payable to any Holder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, compensation, retention or netting, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of a Winding Up or Qualifying Procedure, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

(c) *Effect on the Trustee*

As stated in further detail in Condition 14(d) (*Trustee's remuneration, liability etc*), the provisions of this Condition 4 (*Subordination*) apply only to the principal and interest and any other amounts payable in respect of the Notes and nothing in this Condition 4 (*Subordination*) or in Conditions 6 (*Payments*) or 10 (*Enforcement events* *and remedies*) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

5. **INTEREST**

(a) *Interest Rate and Interest Payment Dates*

The Notes bear interest on their outstanding principal amount:

(i) from and including the Issue Date to but excluding 21 November 2032 (the "**Reset Date**"), at the rate of 8.250 per cent. per annum (the "**Initial Interest Rate**"); and

(ii) thereafter, at the Reset Interest Rate,

which interest is, in each case, payable, subject to Condition 6 (*Payments*), semi-annually in arrear on 21 May and 21 November of each year (each an "**Interest Payment Date**"). The period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an "**Interest Period**".

(b) *Calculation of interest*

Interest in respect of any Note shall be calculated per Calculation Amount. Subject to the paragraph below, the amount of interest payable (subject to Condition 6 (*Payments*)) in respect of a Note for any period of time shall be calculated by (i) determining the product of the Calculation Amount, the relevant Interest Rate and the Day Count Fraction for the relevant period, (ii) rounding the resultant figure to the nearest penny (half a penny being rounded upwards) and (iii) multiplying that rounded figure by a fraction the numerator of which is the principal amount of such Note and the denominator of which is the Calculation Amount.

The amount of interest payable in respect of the Calculation Amount on each Interest Payment Date up to (and including) the Reset Date shall, subject to Condition 6 (*Payments*), be £41.25.

(c) *Reset Interest Rate*

The "**Reset Interest Rate**" will be the rate of interest determined by the Agent Bank on the Reset Determination Date as the sum of:

(i) the Reference Bond Rate (expressed as a rate per annum); and

(ii) the Margin,

converted to a semi-annual rate in accordance with market convention as instructed by the Issuer (rounded to three decimal places, with 0.0005 rounded down) and includes the fallback interest rate determined in accordance with these Conditions.

In these Conditions (except where otherwise defined), the expression:

"**Business Day**" means a day which is 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 London;

"**Margin**" means 3.649 per cent. per annum;

"**Reference Bond Price**" means, with respect to the Reset Determination Date, (i) the arithmetic average of the Reference Government Bond Dealer Quotations for the Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if fewer than five such Reference Government Bond Dealer Quotations are received, the arithmetic average of all such quotations. If only one Reference Government Bond Dealer Quotation is received, the Reference Bond Price shall be equal to such quotation, or if no Reference Government Bond Dealer Quotations are received, the Reset Interest Rate shall be the Initial Interest Rate;

"**Reference Bond Rate**" means, with respect to the Reset Period, the rate per annum equal to the yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reset Reference Bond, assuming a price for the Reset Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for the Reset Determination Date;

"**Reference Government Bond Dealer**" means each of five banks selected by the Issuer, or the affiliates of such banks, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and the Reset Determination Date, the arithmetic average, as determined by the Issuer, of the bid and offered prices for the Reset Reference Bond (expressed in each case as a percentage of its nominal amount) as at 11.00 a.m. (London time) on the Reset Determination Date and, if relevant, on a dealing basis for settlement that is customarily used at such time and quoted in writing to the Issuer by such Reference Government Bond Dealer;

"**Reset Determination Date**" means the day falling two Business Days prior to the Reset Date;

"**Reset Period**" means the period from (and including) the Reset Date to (but excluding) the Maturity Date;

"**Reset Reference Bond**" means a government security or securities issued by the UK government selected by the Issuer (after consultation with an investment bank or financial institution determined to be appropriate by the Issuer, which, for avoidance of doubt, could be the Agent Bank) as having the nearest actual or interpolated maturity date on or about the last day of the Reset Period and that (in the opinion of the Issuer) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in sterling and of a comparable maturity to the Reset Period.

(d) *Publication of Reset Interest Rate*

The Issuer shall cause the Agent Bank to give notice of the Reset Interest Rate to the Issuer, the Agents, the Trustee (by no later than the Reset Determination Date) and to be notified to Holders in accordance with Condition 12 (*Notices*) as soon as possible after their determination, but in no event later than the fourth Business Day thereafter. The Reset Interest Rate so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of manifest error.

(e) *Notifications, etc. to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5 (*Interest*), whether from or by the Reference Government Bond Dealer (or any of them) or the Agent Bank or the Issuer or any agent appointed by the Issuer, will (in the absence of manifest error) be binding on the Issuer, the Trustee, the Agent Bank and all Holders and (in the absence of wilful default) no liability to the Issuer or the Holders shall attach to the Reference Government Bond Dealer (or any of them) in connection with any such quotations or the Agent Bank in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition.

(f) *Interest accrual*

Each Note will cease to bear interest from and including the due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue in accordance with the Conditions (both before and after judgment) until whichever is the earlier of (a) the day on which such principal is received by or on behalf of the relevant Holder and (b) the day which is seven days after any of the Agents or the Trustee has notified the Holders that it has received such principal.

6. **PAYMENTS**

(a) *Principal*

Payments of principal shall be made by sterling cheque drawn on or, upon application by a Holder of a Note to the Specified Office (as defined in the Agency Agreement) of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a sterling account maintained by the payee with, a bank in London and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Paying Agent.

(b) *Interest*

Payments of interest shall be made by sterling cheque drawn on or, upon application by a Holder of a Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a sterling account maintained by the payee with, a bank in London and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Paying Agent.

(c) *Payments subject to fiscal laws*

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*). No commissions or expenses shall be charged to the Holders in respect of such payments.

(d) *Payment on Business Days*

Where payment is to be made by transfer to a sterling account, payment instructions (for value the due date, or, if such date is not a payment business day, for value the next succeeding payment business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Certificate is surrendered (or, in the case of part payment only, endorsed) at the specified office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for payment not being a payment business day or (B) a cheque mailed in accordance with this Condition 6 (*Payments*) arriving after the due date for payment or being lost in the mail. In this Condition 6(d) (*Payment on Business Days*), "**payment business day**" means any 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 London and, in the case of surrender (or, in the case of part payment only, endorsement) of a Certificate, in the place in which the Certificate is surrendered (or, as the case may be, endorsed).

(e) *Partial payments*

If a Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Certificate.

(f) *Record date*

Each payment in respect of a Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's specified office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

(g) *Agents*

The names of the initial Agents and their initial specified offices are set out in the Agency Agreement. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents **provided that**:

(i) there will at all times be a Principal Paying Agent and an Agent Bank;

(ii) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and

(iii) there will at all times be a Registrar.

Notice of any termination or appointment and of any changes in specified offices will be given to the Holders promptly by the Issuer in accordance with Condition 12 (*Notices*).

7. REDEMPTION AND PURCHASE; SUBSTITUTION AND VARIATION

(a) *Scheduled redemption*

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Maturity Date, subject as provided in Condition 6 (*Payments*).

(b) *Redemption at the option of the Issuer*

The Issuer may, in its sole discretion but subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), having given not less than 15 nor more than 30 days' notice to the Holders in accordance with Condition 12 (*Notices*), the Trustee and the Agents (which notice shall, subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Notes on any date from (and including) 21 August 2032 to (and including) the Reset Date at their principal amount together with any Accrued Interest.

(c) *Redemption for regulatory reasons*

Subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), if, as a result of any amendment to, or change in the regulatory classification of the Notes under, the Capital Regulations (or official interpretation thereof), in any such case becoming effective on or after the Reference Date, the whole or any part of the principal amount of the Notes are, or are likely to be at any time, excluded from, or cease to count towards, the Tier 2 Capital of the Regulatory Group (a "**Capital Disqualification Event**"), the Issuer may, in its sole discretion but having given not less than 15 nor more than 30 days' notice to the Holders in accordance with Condition 12 (*Notices*), the Trustee and the Agents (which notice shall, subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Notes at their principal amount together with any Accrued Interest.

Prior to giving notice of redemption in accordance with this Condition 7(c) (*Redemption for regulatory reasons*), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the relevant circumstance referred to this Condition 7(c) (*Redemption for regulatory reasons*) exists. Such certificate shall be treated by the Trustee, the Holders and all other interested parties as correct, conclusive and sufficient evidence thereof.

(d) *Redemption for tax reasons*

Subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), if as a result of a change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, including any treaty to which the Relevant Jurisdiction is a party, or a change in an official application of those laws or regulations which change or amendment becomes effective on or after the Reference Date, including a decision of any court or tribunal which becomes effective on or after the Reference Date:

(i) the Issuer has paid, or will or would on the next Interest Payment Date be required to pay, Additional Amounts in respect of the Notes; or

(ii) the Issuer is not or would not be entitled to claim a deduction in computing its taxable profits and losses in respect of interest payable on the Notes, or such a deduction is or would be reduced or deferred; or

(iii) the Issuer is not or would not, as a result of the Notes being in issue, be able to have losses or deductions set against the profits or gains, or profits or gains offset by the losses or deductions, of companies with which the Issuer is or would otherwise be so grouped for applicable United Kingdom tax purposes (whether under the group relief system current as at the Reference Date or any similar system or systems having like effect as may from time to time exist); or

(iv) the Issuer would be required to bring into account any amount of income, profit or gain or other tax credit or taxable item for tax purposes, or any other liability to tax would arise in respect of the write-down of the Notes, the conversion of the Notes into shares, or both (including, as a result of the exercise of any regulatory powers under the Banking Act 2009),

(each, a "**Tax Event**"), the Issuer may, in its sole discretion but subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), having given not less than 15 nor more than 30 days' notice to Holders in accordance with Condition 12 (*Notices*), the Trustee and the Agents (which notice shall, subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Notes at their principal amount together with any Accrued Interest.

Prior to giving notice of redemption in accordance with this Condition 7(d) (*Redemption for tax reasons*), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the conditions precedent for redeeming the Notes pursuant to this Condition 7(d) (*Redemption for tax reasons*) have been met. Such certificate shall be treated by the Trustee and the Holders and all other interested parties as correct, conclusive and sufficient evidence thereof.

(e) *Clean-up Call Option*

If, at any time, the outstanding aggregate principal amount of the Notes is 25 per cent. or less of the aggregate principal amount of the Notes originally issued (and, for these purposes, any further Notes issued pursuant to Condition 15 (*Further Issues*) and consolidated and forming a single series with the Notes shall be deemed to have been originally issued) (the "**Clean-up Call Threshold**"), the Issuer may, in its sole discretion but subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), having given not less than 15 nor more than 30 days' notice to the Holders in accordance with Condition 12 (*Notices*), the Trustee and the Agents (which notice shall, subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the remaining outstanding Notes on any date at their principal amount together with any Accrued Interest.

Prior to giving notice of redemption in accordance with this Condition 7(e) (*Clean-up Call Option*), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the outstanding aggregate principal amount of the Notes is equal to or less than the Clean-up Call Threshold. Such certificate shall be treated by the Trustee and the Holders and all other interested parties as correct, conclusive and sufficient evidence thereof.

(f) *Substitution or Variation*

If at any time a Capital Disqualification Event or a Tax Event occurs, the Issuer may, subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*) and having given not less than 15 nor more than 30 days' notice to the Holders (in accordance with Condition 12 (*Notices*)), the Trustee and the Agents (which notice shall, subject to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), be irrevocable) but without any requirement for the consent or approval of the Holders, at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes and/or the terms of the Trust Deed so that they remain or, as appropriate, become, Qualifying Tier 2 Notes; provided that such substitution or variation does not itself give rise to any right of the Issuer to redeem the substituted or varied securities that is inconsistent with the redemption provisions of the Notes.

The Trustee shall be obliged (at the request and expense of the Issuer) to agree with the Issuer without the consent of the Holders to any substitution of the Notes for, or the variation of the terms of the Notes so that they remain or, as appropriate, become, Qualifying Tier 2 Notes as aforesaid, provided that (i) the Trustee receives the certificate in the form described in the definition of Qualifying Tier 2 Notes in accordance with the provisions thereof, and (ii) the terms of the proposed

Qualifying Tier 2 Notes, the amended terms of the Trust Deed or the agreement to such substitution or variation, as the case may be, would not, in the Trustee's opinion, impose more onerous obligations upon it or expose it to any additional liabilities, responsibilities or duties or reduce or amend the rights and/or protections afforded to it.

(g) *Purchases*

The Issuer or any of its Subsidiaries may, at its option but subject to PRA Permission and Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*), purchase or otherwise acquire any of the outstanding Notes at any price in the open market or otherwise at any time in accordance with the then prevailing Capital Regulations. All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be held, reissued, resold or, at the option of the Issuer or any such Subsidiary, cancelled.

(h) *Conditions to redemption, purchase, substitution and variation*

Any redemption under Conditions 7(b) (*Redemption at the option of the Issuer*), 7(c) (*Redemption for regulatory reasons*), 7(d) (*Redemption for tax reasons*), 7(e) (*Clean-up Call Option*) or purchase under Condition 7(g) (*Purchases*) or substitution or variation under Condition 7(f) (*Substitution or Variation*) is subject to the Issuer obtaining PRA Permission (and such PRA Permission not having been revoked by the relevant date of such redemption, purchase, substitution or variation, as the case may be) and to compliance with the Regulatory Preconditions and/or any other additional and/or alternative conditions or requirements contained in the then prevailing Capital Regulations which relate to the redemption, purchase, substitution or variation of the Notes, as the case may be.

(i) *Cancellation*

All Notes which are redeemed by the Issuer pursuant to this Condition 7 (*Redemption and Purchase; Substitution and Variation*) will be cancelled.

(j) *Notices final*

Upon the expiry of any notice as is referred to in Condition 7(b) (*Redemption at the option of the Issuer*), 7(c) (*Redemption for regulatory reasons*), 7(d) (*Redemption for tax reasons*), 7(e) (*Clean-up Call Option*) or 7(f) (*Substitution or Variation*), the Issuer shall be bound (subject in all circumstances only to Condition 7(h) (*Conditions to redemption, purchase, substitution and variation*)) to redeem, substitute or vary (as applicable) the Notes to which the notice refers in accordance with the terms of such paragraph.

(k) *Trustee not obliged to monitor*

The Trustee shall not be under any duty to investigate whether any event or circumstance which could lead to, or has led to, a redemption, substitution or variation (as applicable) under this Condition 7 (*Redemption and Purchase; Substitution and Variation*) has occurred and (i) shall not be responsible to Holders for any loss arising from any failure by it to do so and (ii) shall be entitled to assume, unless it has written notice to the contrary, that no such event or circumstance which could lead to, or has led to, a redemption, substitution or variation (as applicable) has occurred and that the PRA Permission and/or all Regulatory Preconditions have been satisfied. The Trustee may rely without further investigation and without liability as aforesaid on any certificate delivered to it in connection with this Condition 7 (*Redemption and Purchase; Substitution and Variation*).

8. **TAXATION**

(a) *Payment without withholding*

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts in respect of any interest on the Notes ("**Additional Amounts**"), but not, for the avoidance of doubt, in respect of the payment of any principal in respect of the Notes, as may be necessary in order that the net amounts in respect of any interest on the Notes received by the Holders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of interest on the Notes in the absence of the withholding or deduction, except that no Additional Amounts shall be payable in relation to any payment in respect of any Note:

(i) to or on behalf of a Holder, or a beneficial owner of the relevant Notes, which is liable to such Taxes in respect of such Note by reason of its having some connection with the Relevant Jurisdiction other than the mere holding or ownership of the Note; or

(ii) where (in the case of a payment of interest on redemption) the relevant Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such Additional Amounts if it had surrendered the relevant Certificate on the last day of such period of 30 days; or

(iii) where the Holder of the relevant Notes failed to make any necessary claim or to comply with any certification, identification or other requirements concerning the nationality, residence, identity or connection with the Relevant Jurisdiction of such Holder, if such claim or compliance is required by statute, treaty, regulation or administrative practice of the Relevant Jurisdiction as a condition to relief or exemption from such taxes.

For the avoidance of doubt, any amounts to be paid by the Issuer on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the "**Code**"), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a

"**FATCA Withholding Tax**"), and the Issuer will not be required to pay any Additional Amounts on account of any FATCA Withholding Tax.

(b) *Additional Amounts*

Any reference in these Conditions to any interest in respect of the Notes shall be deemed also to include any Additional Amounts which is, were or would be payable under this Condition 8 (*Taxation*).

9. **PRESCRIPTION**

Notes will become void unless presented for payment within periods of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the Notes, subject to the provisions of Condition 6 (*Payments*).

10. **ENFORCEMENT EVENTS AND REMEDIES**

(a) *Enforcement Events*: The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject, in any such case, to being indemnified and/or secured and/or prefunded to its satisfaction), without further notice:

(i) *Non-payment*: if the Issuer fails to pay the principal of, or interest on, any of the Notes when due and such failure continues for a period of 14 days, institute proceedings for the winding up of the Issuer in England (or such other jurisdiction in which the Issuer is organised) (but not elsewhere) and/or prove in any Winding Up or Qualifying Procedure, but may take no other action in respect of such default; **provided that** the Issuer shall not be in default if such sums were not paid in order to comply with any mandatory law, regulation or order of any court of competent jurisdiction acting on the advice of independent legal advisers acceptable to the Trustee and such legal advice is delivered to the Trustee during the 14 day period;

(ii) *Winding Up Event*: if a Winding Up Event occurs, give notice to the Issuer that the Notes are, and they shall accordingly immediately become, due and repayable at their principal amount together with accrued but unpaid interest (subject to Condition 4 (*Subordination*)) and the Trustee may prove and/or claim in such Winding Up or Qualifying Procedure; or

For the avoidance of doubt, any resolution action or moratorium pursuant to the Banking Act 2009, as amended, which does not constitute a Winding Up Event, shall not permit the Trustee or the Holders to declare the Notes due and payable.

(iii) *Breach of obligations (other than payment obligations)*: without prejudice to paragraph (i) or (ii) above, if the Issuer breaches any of its obligations under the Trust Deed or the Notes (other than any payment obligation of the Issuer under or arising from the Trust Deed or the Notes, including, without limitation, payment of any principal or interest in respect of the Notes and any damages awarded for breach of any obligations) subject as provided below, institute such steps, actions or proceedings as it may think fit to enforce the obligation in question provided always that the Trustee (acting on behalf of the Holders but not the Trustee acting in its personal capacity under the Trust Deed) and the

Holders may not enforce, and are not entitled to enforce or otherwise claim, against the Issuer any judgment or other award given in such proceedings that requires the payment of money by the Issuer, whether by way of damages or otherwise (a "**Monetary Judgment**"), except by proving and/or claiming such Monetary Judgment in a Winding up or Qualifying Procedure and in no event shall the Issuer, by virtue of the institution of any such steps, actions or proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it pursuant to these Conditions and the Trust Deed.

(b) *Trustee claims*: Nothing in this Condition 10 (*Enforcement Events and Remedies*) shall, however, prevent the Trustee acting in its personal capacity under the Trust Deed instituting proceedings for the winding up of the Issuer in England (or such other jurisdiction in which the Issuer is organised) (but not elsewhere) and/or proving in any Winding Up or Qualifying Procedure in respect of any payment obligations of the Issuer to the Trustee in respect of any costs, fees, charges, expenses, liabilities or remuneration of the Trustee arising from the Trust Deed (including any damages awarded for breach of any such obligations).

(c) *Extent of Remedies*: No remedy against the Issuer other than the institution of the proceedings referred to in Condition 10(a) (*Enforcement Events and Remedies*) or proving in a Winding Up or Qualifying Procedure shall be available to the Trustee or the Holders whether for the recovery of amounts owing in respect of the Notes or under the Trust Deed in relation thereto (other than in the case of any amounts due to the Trustee in respect of its costs, charges, expenses, liabilities or remuneration or the rights and remedies of the Trustee in respect thereof) or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Notes or under the Trust Deed in relation thereto.

(d) *Right of Holders*: No Holder shall be entitled to proceed directly against the Issuer or institute any of the proceedings referred to in this Condition 10 (*Enforcement Events and Remedies*) or to prove and/or claim in a Winding Up or Qualifying Procedure, except that, if the Trustee, having become bound to proceed against the Issuer as aforesaid, fails to do so or, being able to prove in such Winding Up or Qualifying Procedure, fails to do so, in each case within a reasonable period and in each such case such failure shall be continuing, then any such Holder may itself institute such proceedings and/or prove and/or claim in such Winding Up or Qualifying Procedure to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so in respect of the Notes.

11. REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar or any Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer and/or the Registrar may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

12. **NOTICES**

All notices regarding the Notes shall be valid if sent by post to the Holders at their respective addresses in the Register and, if and for so long as the Notes are listed on any stock exchange, notices will also be given in accordance with any applicable requirements of such stock exchange. Any notice shall be deemed to have been given on the second day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

13. **MEETINGS OF HOLDERS, MODIFICATION, WAIVERS AND SUBSTITUTION**

(a) *Meetings of Holders*

The Trust Deed contains provisions for convening meetings of Holders (including by way of conference call or videoconference) to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed. The quorum at any meeting of Holders for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. of the aggregate principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that at any meeting the business of which is to deal with certain proposals (including any proposal to change any Interest Payment Date, the Maturity Date or any optional redemption date, to reduce the interest rate applicable in respect of the Notes, to reduce the principal amount of the Notes, to alter the method of calculating of any interest in respect of the Notes, to change the currency of payments under the Notes, to modify the provisions of Conditions 3 (*Status*) or 4 (*Subordination*), or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (in each case, unless such change is expressly permitted without the consent of Holders pursuant to these Conditions, each, a "**Reserved Matter**")), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than three-quarters, or at any adjourned meeting not less than one-quarter, of the aggregate principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Holders will be binding on all Holders, whether or not they are present at the meeting and whether or not they voted on the resolution.

In addition, a resolution in writing signed by or on behalf of the holders of at least 75 per cent. in aggregate principal amount of the outstanding Notes who for the time being are entitled to receive notice of a meeting of Holders under the Trust Deed will take effect as if it were an Extraordinary Resolution. 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.

(b) *Modification, authorisation, waiver*

Except where the Trustee is bound pursuant to Condition 7(f) (*Substitution or Variation*) to give effect to the amendments described therein, the Trustee may agree (other than in respect of a Reserved Matter), without the consent of the

Holders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement (**provided that**, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Holders) or may agree, without any such consent as aforesaid and irrespective of whether the same constitutes a Reserved Matter, to any modification which, in its opinion, is of a formal, minor or technical nature or is to correct a manifest error.

(c) *PRA Permission*

These Conditions shall only be capable of modification or waiver if the Issuer has obtained the relevant PRA Permission (and such PRA Permission has not been revoked by the relevant date of such modification or waiver) or if the Issuer has notified the PRA of such modification or waiver, to the extent then required under the Capital Regulations.

(d) *Trustee to have regard to interests of Holders as a class*

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or substitution), the Trustee shall have regard to the general interests of the Holders as a class but shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders.

(e) *Notification to the Holders*

Any modification, abrogation, waiver or authorisation referred to in this Condition 13 (*Meetings of Holders, Modification, Waivers and Substitution*) shall be binding on the Holders and notified by the Issuer to the Holders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).

(f) *Substitution of the Issuer*

The Trustee may, without the consent of the Holders but subject to PRA Permission (and such PRA Permission not having been revoked by the relevant date of any substitution effected pursuant to this Condition 13(f)), agree with the Issuer to the substitution on a subordinated basis equivalent to that referred to in Condition 3 (*Status*) and Condition 4 (*Subordination*) in place of the Issuer (or of any previous substitute under this Condition 13) as the principal debtor under the Notes, the Trust Deed and the Agency Agreement of any Subsidiary of the Issuer (the "**Substitute**") provided that:

(i) a deed is executed or some other form of undertaking is given by the Substitute in form and manner satisfactory to the Trustee, agreeing to be bound by the terms of the Trust Deed, with any consequential amendments which the Trustee may deem appropriate, as fully as if the Substitute had been named in the Trust Deed, the Agency Agreement and on the Notes, as the principal debtor in place of the Issuer (or of any previous substitute under this Condition);

(ii) two directors of the Substitute certify that the Substitute is solvent at the time at which the said substitution is proposed to be effected and will remain solvent immediately after such substitution is effected (and the Trustee may rely absolutely on such certification and shall not be bound to have regard to the financial condition, profits or prospects of the Substitute or to compare the same with those of the Issuer);

(iii) if the Substitute is incorporated, domiciled or resident in a territory other than the United Kingdom, an undertaking or covenant shall be given by the Substitute in terms corresponding to Condition 8 (*Taxation*) with the substitution for the references to the United Kingdom in the definition of "Relevant Jurisdiction" with references to such territory, whereupon the Trust Deed, these Conditions and the Notes shall be read accordingly;

(iv) if the Notes had a published rating solicited by the Issuer from one or more rating agencies at any time in the period of 12 months prior to the substitution, then the Notes are assigned by each such rating agency, or each such rating agency has informed the Issuer by an announcement or otherwise of its intention to assign, an equal or higher published solicited rating immediately after the substitution;

(v) if the Notes comply with the then current minimum requirements of the PRA in relation to Tier 2 Capital immediately prior to the substitution, the Notes continue to comply with the then current minimum requirements of the PRA in relation to Tier 2 Capital immediately following the substitution;

(vi) if the Notes are listed on the ISM or any other stock exchange or market immediately prior to the substitution, the Notes continue to be listed on the ISM or on such other stock exchange or market immediately following the substitution; and

(vii) the substitution does not cause a Capital Disqualification Event or a Tax Event to occur in respect of the Notes immediately following the substitution.

Any such deed or undertaking shall, if so expressed, operate to release the Issuer or any previous substitute (as the case may be) from all of its obligations as principal debtor under the Trust Deed, the Agency Agreement and the Notes. Upon the execution of such documents and compliance with the above requirements, the Substitute shall be deemed to be named in the Trust Deed, the Agency Agreement and the Notes as the principal debtor in place of the Issuer (or in place of the previous substitute) and the Trust Deed, the Agency Agreement and the Notes shall be deemed to be modified in such manner as shall be necessary to give effect to the substitution and, without limitation, references in the Trust Deed, the Agency Agreement and the Notes to the Issuer shall, unless the context otherwise requires, be deemed to be references to the Substitute.

Any substitution pursuant to this Condition 13 shall be binding on the Holders and shall be notified by the Issuer to the Holders in accordance with Condition 12 (*Notices*) not less than 15 nor more than 60 days' prior to such substitution taking effect.

14. **RIGHTS OF THE TRUSTEE**

(a) *Indemnification and protection of the Trustee*

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer and the Holders, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Trust Deed **provides that**, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Holders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

(b) *Trustee Contracting with the Issuer*

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any of the Issuer's Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of the Issuer's Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Holders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

(c) *Reliance by Trustee on reports, confirmations, certificates and advice*

The Trustee may rely without liability to Holders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institutions or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice in which event such report, confirmation or certificate or advice shall be binding on the Trustee and the Holders.

(d) *Trustee's remuneration, liability etc*

The provisions of Conditions 4 (*Subordination*) apply only to the principal and interest and any other amounts payable in respect of the Notes and nothing in Conditions 4 (*Subordination*), 6 (*Payments*) or 10 (*Enforcement Events and Remedies*) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

15. **FURTHER ISSUES**

The Issuer may from time to time without the consent of the Holders create and issue further securities having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the issue price thereof) so that the same shall be consolidated and form a single series with the Notes. Any further securities which are to form a single series with the Notes constituted by the Trust Deed or any supplemental deed shall be constituted by a deed supplemental to the Trust Deed.

16. **GOVERNING LAW**

The Trust Deed and the Notes and any non-contractual obligations arising out of or in connection with the Trust Deed and the Notes are governed by English law.

17. **RIGHTS OF THIRD PARTIES**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term or condition of the Notes, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

18. **RECOGNITION OF UK BAIL-IN POWER**

(a) *Agreement and Acknowledgement with Respect to the Exercise of the UK Bail-in Power*

Notwithstanding and to the exclusion of any other term of any Notes or any other agreements, arrangements, or understandings between the Issuer and any Holder (or the Trustee on behalf of the Holders), by its acquisition of the Notes, each Holder acknowledges and accepts that the Amounts Due arising under the Notes may be subject to the exercise of the UK Bail-in Power by the Resolution Authority, and acknowledges, accepts, consents, and agrees to be bound by:

(i) the effect of the exercise of the UK Bail-in Power by the Resolution Authority, that may include and result in any of the following, or some combination thereof:

(A) the reduction of all, or a portion, of the Amounts Due;

(B) the conversion of all, or a portion, of the Amounts Due in respect of the Notes into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes;

(C) the cancellation of the Notes; or

(D) the amendment or alteration of the maturity of the Notes or the amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of the terms of the Notes, if necessary, to give effect to the exercise of the UK Bail-in Power by the Resolution Authority.

(b) *Definitions*

For the purposes of this Condition 18 (*Recognition of UK Bail-in Power*):

"**Amounts Due**" means the principal amount of, and any accrued but unpaid interest on, the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the UK Bail-in Power by the Resolution Authority.

"**Resolution Authority**" means the Bank of England or any successor or replacement thereto or such other authority in the United Kingdom (or if the Issuer becomes domiciled in a jurisdiction other than the United Kingdom, such other jurisdiction) having primary responsibility for the recovery and/or resolution of the of the Issuer and/or the Regulatory Group.

"**UK Bail-in Power**" means any write-down, conversion, transfer, modification and/or suspension power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms incorporated in the United Kingdom in effect and applicable in the United Kingdom to the Issuer or other members of the Regulatory Group, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a resolution regime in the United Kingdom under the Banking Act 2009, as the same has been or may be amended from time to time (whether pursuant to the Financial Services (Banking Reform) Act 2013, secondary legislation or otherwise), pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, amended, transferred and/or converted into shares or other securities or obligations of the obligor or any other person.

(c) *Payment of Interest and Other Outstanding Amounts Due*

No repayment or payment of Amounts Due in relation to the Notes will become due and payable or be paid after the exercise of any UK Bail-in Power by the Resolution Authority if and to the extent such amounts have been reduced, written-down, converted, cancelled, amended or altered as a result of such exercise.

(d) *Event of Default*

Neither a reduction or cancellation, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the UK Bail-in Power by the Resolution Authority with respect to the Issuer, nor the exercise of the UK Bail-in Power by the

Resolution Authority with respect to the Notes will be an event of default or constitute a default for any purposes.

(e) *Notice*

Upon the exercise of the UK Bail-in Power by the Resolution Authority with respect to any Notes, the Issuer shall as soon as reasonably practicable notify the Trustee and the Principal Paying Agent in writing of such exercise and give notice of the same to Holders in accordance with Condition 12 (*Notices*). Any delay or failure by the Issuer in delivering any notice referred to in this Condition 18(e) (*Recognition of UK Bail-in Power – Notice*) shall not affect the validity and enforceability of the UK Bail-in Power and shall not constitute a default by the Issuer for any purpose.

19. **DEFINITIONS**

(a) *Definitions*

In these Conditions:

"**Accrued Interest**" means, with respect to a date fixed for redemption in accordance with Condition 7 (*Redemption and Purchase; Substitution and Variation*), any interest accrued but unpaid on the Notes from (and including) the Interest Payment Date most recently preceding such date fixed for redemption to (but excluding) such date fixed for redemption and which is unpaid.

"**Additional Amounts**" has the meaning given to it in Condition 8(a) (*Payment without withholding*).

"**Agency Agreement**" has the meaning given to it in the preamble to these Conditions.

"**Agent**" means the Registrar, the Agent Bank and each of the other agents appointed pursuant to the Agency Agreement.

"**Agent Bank**" means The Bank of New York Mellon, London Branch or any successor agent bank appointed from time to time in connection with the Notes.

"**Authorised Denomination**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

"**Authorised Signatory**" has the meaning given to it in the Trust Deed.

"**Business Day**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Calculation Amount**" means £1,000 in principal amount of Notes.

"**Capital Disqualification Event**" has the meaning given to it in Condition 7(c) (*Redemption for regulatory reasons*).

"**Capital Regulations**" means, at any time, the laws, regulations, rules, requirements, guidelines and policies relating to capital adequacy (including, without limitation, as to leverage) then in effect in the United Kingdom including, without limitation to the generality of the foregoing, the PRA Rulebook and any regulations, rules, requirements, guidelines and policies relating to capital adequacy adopted by the PRA from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to the Issuer or to the Regulatory Group).

"**Certificate**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

"**Clean-up Call Threshold**" has the meaning given to it in Condition 7(e) (*Clean-up Call Option*).

"**Code**" has the meaning given to it in Condition 8 (*Taxation*).

"**Companies Act**" means the Companies Act 2006.

"**Conditions**" means these terms and conditions of the Notes, as amended from time to time.

"**Day Count Fraction**" means:

(i) where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) two; or

(ii) where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) two; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) two.

"**Determination Date**" means 21 May and 21 November in any year.

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where the Issue Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"**FATCA Withholding Tax**" has the meaning given to it in Condition 8(a) (*Payment without withholding*).

"**Initial Interest Rate**" has the meaning given to it in Condition 5(a)(i) (*Interest Rate and Interest Payment Dates*).

"**Insolvency Act**" means the Insolvency Act 1986.

"**Interest Amount**" means the amount of interest payable on each Note on an Interest Payment Date in accordance with Condition 5 (*Interest*).

"**Interest Payment Date**" has the meaning given to it in Condition 5(a) (*Interest Rate and Interest Payment Dates*).

"**Interest Period**" has the meaning given to it in Condition 5(a) (*Interest Rate and Interest Payment Dates*).

"**Interest Rate**" means the Initial Interest Rate and/or the Reset Interest Rate, as the case may be.

"**Issue Date**" means 21 May 2026.

"**Issuer**" has the meaning given to it in the preamble to these Conditions.

"**Junior Creditors**" means (A) creditors of the Issuer in respect of (i) any additional tier 1 capital (within the meaning of the Capital Regulations) issued by the Issuer, (ii) all undated or perpetual, junior subordinated obligations (including any guarantee, credit support or similar obligation) of the Issuer and (iii) any other obligations of the Issuer which by law rank, or by their terms are expressed to rank, junior to the Notes and (B) holders of all classes of share capital of the Issuer and, in each case, creditors of the Issuer in respect of any other obligations of the Issuer which by law rank, or by their terms are expressed to rank, *pari passu* with any of such obligations.

"**Margin**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Maturity Date**" means 21 November 2037.

"**Notes**" has the meaning given to it in the preamble to these Conditions.

"**Holder**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

"**own funds**" has the meaning given to it (or any successor term) from time to time in the Capital Regulations.

"**own funds instruments**" has the meaning given to it (or any successor term) from time to time in the Capital Regulations.

"**Parity Creditors**" means creditors of the Issuer in respect of subordinated obligations (including any guarantee, credit support or similar obligation) of the

Issuer which by law rank, or by their terms are expressed to rank, *pari passu* with the claims of the Holders.

"**Paying Agent**" means each entity appointed as a paying agent from time to time pursuant to the Agency Agreement, including the Principal Paying Agent.

"**payment business day**" has the meaning given to it in Condition 6(d) (*Payment on Business Days*).

a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) or other legal entity.

"**PRA**" means the Prudential Regulation Authority or any successor or replacement thereto or such other authority in the United Kingdom (or if the Issuer becomes domiciled in a jurisdiction other than the United Kingdom, such other jurisdiction) having primary responsibility for the prudential oversight and supervision of the Issuer and/or the Regulatory Group.

"**PRA Permission**" means, in relation to any actions, such supervisory permission required therefor within prescribed periods from the PRA, or such waiver under the Capital Regulations from the PRA, as is required under the Capital Regulations.

"**PRA Rulebook**" means the rulebook of the PRA, as amended from time to time.

"**Principal Paying Agent**" means The Bank of New York Mellon, London Branch or any successor principal paying agent appointed from time to time in connection with the Notes.

"**Qualifying Tier 2 Notes**" means securities issued directly or indirectly by the Issuer that:

(a) have terms not materially less favourable to an investor than the terms of the Notes being substituted or varied (as reasonably determined by the Issuer) and provided that a certification by two Authorised Signatories of the Issuer to such effect and certifying that the relevant circumstances referred to in Condition 7(f) (*Substitution or Variation*) exist and that the conditions referred to therein have been satisfied, shall have been delivered to the Trustee prior to the issue or, as appropriate, variation of the Notes, and, subject thereto, which:

    (i) contain terms which comply with the then current minimum requirements of the PRA in relation to Tier 2 Capital, required to ensure that such Qualifying Tier 2 Notes qualify as Tier 2 Capital;

    (ii) include terms which provide for the same Interest Rate or rate of return from time to time applying to the Notes, and preserve the Interest Payment Dates;

    (iii) rank senior to, or *pari passu* with, the ranking of the Notes;

(iv) preserve any existing rights under the Conditions to any accrued interest or other amounts which have not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation;

(v) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption;

(vi) are issued in the same currency as the Notes;

(vii) do not contain terms which provide for principal and/or interest cancellation or deferral (other than a contractual provision recognising the UK Bail-in Power on terms substantially similar to Condition 18 (*Recognition of UK Bail-in Power*));

(viii) do not contain terms providing for loss absorption through principal write-down, write-off or conversion to ordinary shares (other than a contractual provision recognising the UK Bail-in Power on terms substantially similar to Condition 18 (*Recognition of UK Bail-in Power*));

(ix) to the extent that such securities are issued indirectly, benefit from a subordinated guarantee from the Issuer which ranks at least *pari passu* with the Notes and any other Tier 2 Capital securities of the Issuer (if any) from time to time outstanding; and

(x) where the Notes had a published rating solicited by the Issuer from one or more rating agencies immediately prior to their substitution or variation, have been assigned by each such rating agency, or each such rating agency has informed the Issuer by an announcement or otherwise of its intention to assign, an equal or higher published solicited rating; and

(b) if the Notes are listed on the International Securities Market of the London Stock Exchange plc (the "**ISM**") or any other stock exchange or market (i) are listed on the ISM or (ii) listed on such other stock exchange or market at that time as selected by the Issuer, which is a recognised stock exchange (within the meaning of section 1005 of the Income Tax Act 2007 (as the same may be amended, supplemented or replaced from time to time) (the "**Income Tax Act**") for the purposes of section 987 of the Income Tax Act) or admitted to trading on a multilateral trading facility operated by a regulated recognised stock exchange (within the meaning of section 987 of the Income Tax Act).

"**Qualifying Procedure**" means (i) that an administrator has been appointed in respect of the Issuer and has given notice that he/she intends to declare and distribute a dividend or (ii) a liquidation or dissolution of the Issuer or any procedure similar to a Winding Up or that procedure described in (i) that is commenced in respect of the Issuer.

"**Record Date**" has the meaning given to it in Condition 6(f) (*Record date*).

"**Reference Bond Price**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Reference Bond Rate**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Reference Date**" means the later of (i) the Issue Date and (ii) the latest date (if any) on which any further Notes have been issued pursuant to Condition 15 (*Further Issues*).

"**Reference Government Bond Dealer**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Reference Government Bond Dealer Quotations**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Register**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

"**Registrar**" means The Bank of New York Mellon SA/NV, Dublin Branch or such other registrar appointed by the Issuer from time to time in respect of the Notes in accordance with these Conditions.

"**Regulatory Group**" means the Issuer, its subsidiary undertakings, participations, participating interests and any subsidiary undertakings, participations or participating interests held (directly or indirectly) by any of its subsidiary undertakings from time to time and any other undertakings from time to time consolidated with the Issuer for regulatory purposes, in each case in accordance with the rules and guidance of the PRA then in effect.

"**Regulatory Preconditions**" means, in relation to any redemption or purchase of the Notes, to the extent then required by the Capital Regulations:

(i)

(A) before or at the same time as such redemption or purchase the Regulatory Group replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Regulatory Group (where "sustainable for the income capacity" has the meaning given to it in the Capital Regulations, if any); or

(B) the Issuer having demonstrated to the satisfaction of the PRA that the own funds and eligible liabilities of the Regulatory Group would, following such redemption or purchase, exceed the requirements to which it is subject by a margin that the PRA considers necessary at such time; and

(ii) in the case of a redemption pursuant to Condition 7(c) (*Redemption for regulatory reasons*), 7(d) (*Redemption for tax reasons*) or 7(e) (*Clean-up Call Option*) or a purchase pursuant to Condition 7(g) (*Purchases*) occurring prior to the fifth anniversary of the Issue Date only:

(A) in the case of a redemption due to the occurrence of a Capital Disqualification Event, the PRA considering such change to be sufficiently certain and the Issuer having demonstrated to the satisfaction of the PRA that such Capital Disqualification Event was not reasonably foreseeable as at the Issue Date;

(B) in the case of a redemption due to the occurrence of a Tax Event, the Issuer having demonstrated to the satisfaction of the PRA that such Tax Event is material and was not reasonably foreseeable as at the Issue Date;

(C) in the case of a redemption pursuant to Condition 7(e) (*Clean-up Call Option*) or purchase pursuant to Condition 7(g) (*Purchases*), the Issuer having demonstrated to the satisfaction of the PRA that the Issuer has (or will have), before or at the same time as such redemption or purchase, replaced the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the PRA having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view;

(D) in the case of a purchase pursuant to Condition 7(g) (*Purchases*), the relevant Notes are being purchased for market-making purposes in accordance with the Capital Regulations; or

(E) in the case of a purchase pursuant to Condition 7(g) (*Purchases*), in exceptional circumstances, where none of the conditions set out in paragraphs (A) to (D) above are met, but the PRA considers that the purchase of the Notes would materially enhance the safety and soundness of the Issuer,

provided that if, at the time of such redemption or purchase the Capital Regulations permit the redemption or purchase after compliance with one or more alternative or additional pre-conditions to those set out in paragraphs (i) and (ii) of this definition, the Issuer having complied with such other pre-condition(s) in addition to or in lieu of the above pre-conditions.

The granting of the PRA Permission in respect of such redemption or purchase shall be treated (without liability) by the Issuer, the Trustee, the Holders and all other interested parties as conclusive and sufficient evidence of the satisfaction of these pre-conditions.

"**Relevant Date**" means (A) in respect of any payment other than a sum to be paid by the Issuer in a Winding Up or Qualifying Procedure, whichever is the later of: (1) the date on which the payment in question first becomes due; and (2) if the full amount payable has not been received by the Registrar or another Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Holders and (B) in respect of a sum to be paid by the Issuer in a Winding Up or Qualifying Procedure, the date which is one day prior to the date on which an order is made or a resolution is passed for the winding up (or, in the case of an administration, one day prior to the date on which any dividend is distributed).

"**Relevant Jurisdiction**" means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes.

"**Reserved Matter**" has the meaning given to it in Condition 13(a) (*Meetings of Holders*).

"**Reset Date**" has the meaning given to it in Condition 5(a) (*Interest Rate and Interest Payment Dates*).

"**Reset Determination Date**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Reset Interest Rate**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Reset Period**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**Reset Reference Bond**" has the meaning given to it in Condition 5(c) (*Reset Interest Rate*).

"**secondary non-preferential debts**" shall have the meaning given to it in the Insolvency Act.

"**Senior Creditors**" means creditors of the Issuer whose claims are admitted to proof in a Winding Up or Qualifying Procedure and (i) who are unsubordinated creditors of the Issuer; (ii) who are creditors in respect of any secondary non-preferential debts; or (iii) who are subordinated creditors of the Issuer (whether in the event of a Winding Up or Qualifying Procedure or otherwise) other than (x) those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with or junior to the claims of the Holders or (y) those who are Parity Creditors or Junior Creditors.

"**£**", "**sterling**", "**pounds sterling**" and "**pence**" are to the lawful currency for the time being of the United Kingdom.

"**Subsidiary**" has the meaning given to it in Section 1159 of the Companies Act.

"**Tax Event**" has the meaning given to it in Condition 7(d) (*Redemption for tax reasons*).

"**Taxes**" has the meaning given to it in Condition 8(a) (*Payment without withholding*).

"**Tier 2 Capital**" has the meaning given to it (or any successor such term) from time to time in the Capital Regulations.

"**Transfer Agent**" means The Bank of New York Mellon SA/NV, Dublin Branch or any successor or other transfer agent appointed from time to time in connection with the Notes.

"**Trustee**" means M&G Trustee Company Limited or such other trustee appointed by the Issuer from time to time in respect of the Notes in accordance with the Conditions and the Trust Deed.

"**Trust Deed**" has the meaning given to it in the preamble to these Conditions.

"**Winding Up**" means any winding up of the Issuer excluding a solvent winding up solely for the purposes of a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of the Holders.

"**Winding Up Event**" means with respect to the Notes, if:

(i) a court of competent jurisdiction in England (or such other jurisdiction in which the Issuer may be incorporated) makes an order for the winding up of the Issuer which is not successfully appealed within 30 days of the making of such order, or the Issuer's shareholders adopt an effective resolution for the winding up of the Issuer (except, in any such case, a solvent winding up solely for the purposes of a reorganisation, reconstruction, merger or amalgamation the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution);

(ii) following the appointment of an administrator of the Issuer, an administrator gives notice that it intends to declare and distribute a dividend; or

(iii) liquidation or dissolution of the Issuer or any procedure similar to that described in paragraph (i) or (ii) of this definition is commenced in respect of the Issuer, including any bank insolvency procedure or bank administration procedure pursuant to the Banking Act 2009.

(b) *Construction of certain references*

In these Conditions, unless otherwise specified or unless the context otherwise requires:

(i) references to Notes being "outstanding" shall be construed in accordance with the Trust Deed;

(ii) references to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment; and

(iii) headings and sub-headings are for ease of reference only and shall not affect the construction of these Conditions.

SCHEDULE 3
PROVISIONS FOR MEETINGS OF HOLDERS

1. **DEFINITIONS**

In this Trust Deed and the Conditions, the following expressions have the following meanings:

"**Block Voting Instruction**" means, in relation to any Meeting, a document in the English language issued by a Registrar:

(a) certifying:

(i) that certain specified Notes (each a "**Blocked Note**") have been blocked in an account with a clearing system and will not be released until the conclusion of the Meeting and that the Holder of each Blocked Note or a duly authorised person on its behalf has instructed the Registrar that the votes attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting; or

(ii) that each registered Holder of certain specified Notes (each a "**Relevant Note**") or a duly authorised person on its behalf has instructed the Registrar that the votes attributable to each Relevant Note held by it are to be cast in a particular way on each resolution to be put to the Meeting; and

(iii) in each case that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

(b) listing the total principal amount of the Blocked Notes and the Relevant Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and

(c) authorising a named individual or individuals to vote in respect of the Blocked Notes and the Relevant Notes in accordance with such instructions;

"**Chair**" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 7 (*Chair*);

"**Extraordinary Resolution**" means a resolution (a) passed at a Meeting duly convened and held in accordance with this Schedule by a majority of one more than 50 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;

"**Form of Proxy**" means, in relation to any Meeting, a document in the English language available from the Registrar signed by a Holder or, in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the Registrar not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the Notes held by such Holder;

"**Meeting**" means a meeting of Holders (whether originally convened or resumed following an adjournment) which may be held either in person and/or Virtually;

"**Proxy**" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction or a Form of Proxy other than:

(a) any such person whose appointment has been revoked and in relation to whom the Registrar has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and

(b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"**Relevant Fraction**" means:

(a) for all business other than voting on an Extraordinary Resolution, one tenth;

(b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, more than 50 per cent.; and

(c) for voting on any Extraordinary Resolution relating to a Reserved Matter, not less than three-quarters;

provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

(i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the Voters actually present at the Meeting; and

(ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, one-quarter;

"**Reserved Matter**" means any proposal (unless such change is expressly permitted without the consent of Holders pursuant to the Conditions):

(a) subject to Clause 3.5 (*No restrictions on the rights of the Issuer*) of this Trust Deed, to modify the provisions of Condition 3 (*Status*) or Condition 4 (*Subordination*);

(b) to change any Interest Payment Date, the Maturity Date or any optional redemption date, to reduce the interest rate applicable in respect of the Notes, to reduce the principal amount of the Notes, or to alter the method of calculating any interest in respect of the Notes;

(c) to change the currency of payments under the Notes;

(d) to change the quorum requirements relating to any Meeting or the majority required to pass an Extraordinary Resolution; or

(e) to amend this definition;

"**Virtually**" means by teleconference, video conference or other virtual means;

"**Voter**" means, in relation to any Meeting, a Proxy or (subject to paragraph 4 (*Record date*)) a Holder; *provided, however, that* (subject to paragraph 4 (*Record date*)) any Holder which has appointed a Proxy under a Block Voting Instruction or Form of Proxy shall not be a "**Voter**" except to the extent that such appointment has been revoked and the Registrar notified in writing of such revocation at least 48 hours before the time fixed for such Meeting;

"**Written Resolution**" means a resolution in writing signed by or on behalf of holders of at least 75 per cent. in aggregate principal amount of the outstanding Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Schedule, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

"**24 hours**" means a period of 24 hours including all or part of a day (disregarding for this purpose the day upon which such Meeting is to be held) upon which banks are open for business in both the place where the relevant Meeting is to be held (where a Meeting is to be held in person) or London (where a Meeting is to be held Virtually) and in each of the places where the Paying Agents have their Specified Offices and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

"**48 hours**" means 2 consecutive periods of 24 hours.

2. ISSUE OF BLOCK VOTING INSTRUCTIONS AND FORMS OF PROXY

The Holder of a Note may require the Registrar to issue a Block Voting Instruction by arranging (to the satisfaction of the Registrar) for such Note to be blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. The Holder of a Note may require the Registrar to issue a Block Voting Instruction by delivering to the Registrar written instructions not later than 48 hours before the time fixed for the relevant Meeting. Any Holder of a Note may obtain an uncompleted and unexecuted Form of Proxy from the Registrar. A Block Voting Instruction and a Form of Proxy cannot be outstanding simultaneously in respect of the same Note.

3. REFERENCES TO BLOCKING/RELEASE OF NOTES

Where Notes are within Euroclear or Clearstream, Luxembourg or any other clearing system, references to the deposit, or release, of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of Euroclear or Clearstream, Luxembourg or such other clearing system.

4. RECORD DATE

The Issuer may fix a record date for the purposes of any Meeting or any resumption thereof following its adjournment for want of a quorum *provided that* such record date is not more than 10 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a Note is registered in the Register on the record date at close of business in the city in which the Registrar has its Specified Office shall be deemed to be the Holder of such Note for the purposes of such Meeting and notwithstanding any subsequent transfer of such Note or entries in the Register.

5. **CONVENING OF MEETING**

The Issuer or the Trustee may convene a Meeting at any time, and the Trustee shall be obliged to do so subject to its being indemnified and/or secured and/or prefunded to its satisfaction upon the request in writing of Holders holding not less than one tenth of the aggregate principal amount of the outstanding Notes. Every Meeting shall be held on a date, and at a time, approved by the Trustee. Where a Meeting is to be held in person, the Trustee will approve the place of the Meeting.

6. **NOTICE**

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date and time of the Meeting and the place of the Meeting or the manner in which the Meeting will take place Virtually shall be given to the Holders and the Paying Agents and the Registrar (with a copy to the Issuer) where the Meeting is convened by the Trustee or, where the Meeting is convened by the Issuer, the Trustee. The notice shall set out the full text of any resolutions to be proposed unless the Trustee agrees that the notice shall instead specify the nature of the resolutions without including the full text and shall state that Notes may be blocked in clearing systems for the purposes of appointing Proxies under Block Voting Instructions until 48 hours before the time fixed for the Meeting and a Holder may appoint a Proxy either under a Block Voting Instruction by delivering written instructions to the Registrar or by executing and delivering a Form of Proxy to the Specified Office of the Registrar, in either case until 48 hours before the time fixed for the Meeting.

7. **CHAIR**

An individual (who may, but need not, be a Holder) nominated in writing by the Trustee may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chair. For the avoidance of doubt the term "present" used in this paragraph shall include attendance Virtually. The Chair of an adjourned Meeting need not be the same person as was the Chair of the original Meeting.

8. **QUORUM**

The quorum at any Meeting shall be at one or more Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes.

9. **ADJOURNMENT FOR WANT OF QUORUM**

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

(a) in the case of a Meeting requested by Holders, it shall be dissolved; and

(b) in the case of any other Meeting (unless the Issuer and the Trustee otherwise agree), it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place (or manner in the case of a Meeting held Virtually) as the Chair determines (with the approval of the Trustee); *provided, however, that*:

(i) the Meeting shall be dissolved if the Issuer and the Trustee together so decide; and

(ii) no Meeting may be adjourned more than once for want of a quorum.

For the avoidance of doubt the term "present" used in this paragraph shall include attendance Virtually.

10. ADJOURNED MEETING

The Chair may, with the consent of, and shall if directed by, any Meeting adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

11. NOTICE FOLLOWING ADJOURNMENT

Paragraph 6 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

(a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

12. PARTICIPATION

The following may attend and speak at a Meeting:

(a) Voters;

(b) representatives of the Issuer and the Trustee;

(c) the financial advisers of the Issuer and the Trustee;

(d) the legal counsel to the Issuer and the Trustee and such advisers;

(e) the Registrar; and

(f) any other person approved by the Meeting or the Trustee.

13. **SHOW OF HANDS**

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chair's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll. Where a Meeting is held (or includes attendance) Virtually, attendees must confirm their show of hands orally.

14. **POLL**

A demand for a poll shall be valid if it is made by the Chair, the Issuer, the Trustee or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chair directs, but any poll demanded on the election of the Chair or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chair directs.

15. **VOTES**

Every Voter shall have:

(a) on a show of hands, one vote; and

(b) on a poll, one vote in respect of each £1,000 in aggregate face amount of the outstanding Note(s) represented or held by such Voter.

Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way. In the case of a voting tie the Chair shall have a casting vote.

16. **VALIDITY OF VOTES BY PROXIES**

Any vote by a Proxy in accordance with the relevant Block Voting Instruction or Form of Proxy shall be valid even if such Block Voting Instruction or Form of Proxy or any instruction pursuant to which it was given has been amended or revoked, *provided that* the Registrar has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction or Form of Proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; *provided, however, that* no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction or Form of Proxy to vote at the Meeting when it is resumed.

17. POWERS

A Meeting shall have power (exercisable only by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

(a) to approve any Reserved Matter;

(b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any provisions of this Trust Deed or the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;

(c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(d) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of this Trust Deed or the Notes or any act or omission which might otherwise constitute a Default under the Notes;

(e) to remove any Trustee;

(f) to approve the appointment of a new Trustee;

(g) to authorise the Trustee (subject to its being indemnified and/or secured to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(h) to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed or the Notes;

(i) to give any other authorisation or approval which under this Trust Deed or the Notes is required to be given by Extraordinary Resolution; and

(j) to appoint any persons as a committee to represent the interests of the Holders and to confer upon such committee any powers which the Holders could themselves exercise by Extraordinary Resolution.

For the avoidance of doubt, nothing in this paragraph shall be interpreted to mean that consent or approval of the Holders is required for any substitution of the Notes or variation of the Conditions and/or the Trust Deed required to be made in connection with the substitution or variation of the Notes pursuant to Condition 7(f) *(Substitution or Variation)*.

18. ELECTRONIC COMMUNICATION

For so long as the Notes are represented by a Global Certificate held on behalf of, one or more of Euroclear, Clearstream, Luxembourg or any other relevant clearing system (the "**relevant clearing system**"), then, in respect of any resolution proposed by the Issuer or the Trustee:

(a) ***Electronic Consent***: where the terms of the resolution proposed by the Issuer or the Trustee (as the case may be) have been notified to the Holders through the relevant clearing system(s) as provided in sub-paragraphs (i) and/or (ii) below, each of the Issuer and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Principal Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate principal amount of the outstanding Notes (the "**Required Proportion**") ("**Electronic Consent**") by close of business on the relevant time and date for the blocking of their accounts in the relevant clearing systems(s) (the "**Consent Date**"). Any resolution passed in such manner shall be binding on all Holders, even if the relevant consent or instruction proves to be defective. Neither the Issuer nor the Trustee shall be liable or responsible to anyone for such reliance.

(i) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Holders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Holders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, the Consent Date by which they must be received in order for such consents to be validly given), in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

(ii) If, on the Consent Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the "**Proposer**") so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Holders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform Holders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (i) above. For the purpose of such further notice, references to "Consent Date" shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 5 above, unless that meeting is or shall be cancelled or dissolved; and

(b) ***Written Resolution***: where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, (i) by accountholders in the clearing system(s) with entitlements to such Global Certificate and/or, (ii) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (i) above, Euroclear, Clearstream, Luxembourg or any other relevant clearing system and, in the case of (ii) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (ii) above. Any Written Resolution passed in such manner shall be binding on all Holders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EasyWay or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

19. WRITTEN RESOLUTION AND ELECTRONIC CONSENT

A Written Resolution or Electronic Consent shall take effect as if it were an Extraordinary Resolution.

20. EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS

An Extraordinary Resolution shall be binding upon all Holders, whether or not present (including Virtually) at such Meeting, and each of the Holders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Holders and the Paying Agents and the Registrar (with a copy to the Issuer and the Trustee) within 14 days of the conclusion of the Meeting.

21. MINUTES

Minutes of all resolutions and proceedings at each Meeting shall be made. The Chair shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

22. FURTHER REGULATIONS

Subject to all other provisions contained in this Trust Deed, the Trustee may without the consent of the Issuer or the Holders prescribe or approve such further regulations regarding the holding of Meetings of Holders and attendance and voting at them as the Trustee may in its sole discretion determine or as proposed by the Issuer.

23. **CANCELLATION OF MEETING**

A meeting that has been validly convened in accordance with paragraph 5 above, may be cancelled by the person who convened such meeting by giving at least 8 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) to the Holders (with a copy to the Trustee where such meeting was convened by the Issuer or to the Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 23 shall be deemed not to have been convened.

EXECUTION CLAUSES

EXECUTED as a **DEED** by

VANQUIS BANKING GROUP PLC acting by two directors	)))	
Signature of director	)	______________________________
Name of director (*block letters*)	)	
Signature of director	)	______________________________
Name of director (*block letters*)	)	

EXECUTED as a **DEED** by **Affixing the Common Seal of**

M&G Trustee Company Limited in the Presence of:

……………………..

Sealing officer