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Confirmation of Your Representation: This Offering Circular is being sent at your request and by accepting the e-mail and accessing the Offering Circular, you shall be deemed to have represented to us that you are not a U.S. person (as defined in Regulation S under the Securities Act), that the e-mail address that you gave Bank of America Corporation or its Dealers and to which this e-mail has been delivered is not located in the United States, and that you consent to delivery of this Offering Circular by electronic transmission.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Offering Circular to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

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U.S. \$65,000,000,000 Euro Medium-Term Note Program

This Offering Circular, which replaces the Offering Circular dated July 25, 2008, describes the Euro Medium-Term Note Program (the “**Program**”) operated by Bank of America Corporation (the “**Issuer**”) and the notes issued under the Program after the date of this Offering Circular (the “**Notes**”).

Under the Program, the Issuer periodically may issue Notes denominated in any currency and having terms as may be agreed upon between the Issuer and the relevant Dealers (as defined below). The Issuer will disclose any additional terms and conditions of the Notes in a supplement (the “**Final Terms**”) to this Offering Circular. The Final Terms in respect of the Notes to be admitted to the official list of the UK Listing Authority (as defined below) (the “**Official List**”) and to be admitted to trading on the Regulated Market of the London Stock Exchange plc (the “**London Stock Exchange**”) will be delivered to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the “**FSMA**”) (the “**UK Listing Authority**”) and the London Stock Exchange on or before the issue date of the Notes. The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions (as defined herein) of the Notes, in which case a supplementary Offering Circular, if appropriate, will be made available, which will describe the effect of the agreement reached in relation to such Notes.

The maximum principal amount of Notes that may be outstanding at any one time under the Program will not exceed U.S. \$65,000,000,000, provided that the Issuer reserves the right to increase this amount. The Program provides that Notes may be listed or, as the case may be, admitted to trading on such other or further stock exchange(s) or market(s) as may be agreed between the Issuer and the relevant Dealers. The Issuer also may issue unlisted Notes that are not admitted to trading on any market.

The Notes are unsecured and may be senior notes (“**Senior Notes**”) or subordinated notes (“**Subordinated Notes**”). The Senior Notes will rank equally with all other unsubordinated and unsecured indebtedness of the Issuer. The Subordinated Notes will be subordinated and junior in right of payment to all Senior Indebtedness (as defined herein) of the Issuer (including the Senior Notes).

The Notes will be issued on a continuing basis to one or more of the Dealers listed below and any additional Dealer appointed under the Program from time to time (each, a “**Dealer**” and together, the “**Dealers**”).

Application has been made to the UK Listing Authority for the Notes to be admitted to the Official List and to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange’s Regulated Market. In this Offering Circular, references to Notes being listed shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the London Stock Exchange’s Regulated Market. The London Stock Exchange’s Regulated Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (2004/39/EC).

Each tranche of Notes (“**Tranche of Notes**”) in bearer form (“**Bearer Notes**”) will initially be represented by a temporary global note in bearer form (“**Bearer Temporary Global Note**”). The Bearer Temporary Global Note will be delivered on or prior to the issue date of the relevant Tranche of Notes to (1) a common safekeeper (the “**Common Safekeeper**”) (if the Bearer Temporary Global Note is intended to be issued in new global note (“**NGN**”) form, as stated in the applicable Final Terms) for Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) or any other clearing system located outside the United States and its possessions, specified by the Issuer and the Dealers (each, an “**Alternative Clearing System**”) and each of Euroclear, Clearstream, Luxembourg, and any Alternative Clearing System being a “**Relevant Clearing System**”) or (2) a common depository (the “**Common Depository**”) (if the Bearer Temporary Global Note is not intended to be issued in NGN form but is to be issued in the classic global note (“**CGN**”) form) for the Relevant Clearing System. Beneficial interests in a Bearer Temporary Global Note will be exchangeable for beneficial interests in a permanent global note in bearer form (“**Bearer Permanent Global Note**”) upon certification as to non-United States beneficial ownership. Under certain circumstances, beneficial interests in a Bearer Temporary Global Note or a Bearer Permanent Global Note will be exchangeable for definitive notes in bearer form (“**Bearer Definitive Notes**”), in each case as further described in “Terms and Conditions of the Notes”.

Each Tranche of Notes to be issued in registered form (“**Registered Notes**”) will initially be represented by a registered global certificate (“**Registered Global Certificate**”) or by a registered certificate in definitive form (“**Registered Definitive Certificate**”), one Registered Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series (as defined herein). The Registered Global Certificate will be delivered on or prior to the issue date of the relevant Tranche of Notes to the Common Depository for the Relevant Clearing System. Beneficial interests in a Registered Global Note will be exchangeable for Registered Definitive Notes only in limited circumstances, as further described in “Terms and Conditions of the Notes”.

*The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and, except as stated under “Subscription and Sale”, may not be offered, sold, or delivered, directly or indirectly, in the United States of America, its territories, its possessions, and other areas subject to its jurisdiction (the “**United States**”) or to a U.S. person (as defined in Regulation S under the Securities Act). Bearer Notes will be subject to United States tax law requirements and Registered Notes will be subject to certain restrictions on transfer – see “Subscription and Sale”.*

*The Notes are unsecured and are not and will not be savings accounts, deposits, obligations of, or otherwise guaranteed by, Bank of America, N.A. (“**BANA**”) or any other bank. The Notes do not evidence deposits of BANA or any other banking affiliate of the Issuer and are not insured by the Federal Deposit Insurance Corporation (the “**FDIC**”) or any other insurer or governmental agency or instrumentality.*

The Notes are subject to investment risks, including possible loss of the principal amount invested. See “Risk Factors” on pages 17–26 of this Offering Circular.

Arranger
BofA Merrill Lynch

Dealers

Barclays Capital
BofA Merrill Lynch
Credit Suisse
Goldman Sachs International
Morgan Stanley
UniCredit Group (HVB)

BNP Paribas
Citi
Deutsche Bank
ING Wholesale Banking
The Royal Bank of Scotland

The date of this Offering Circular is July 22, 2009

IMPORTANT NOTICE

This Offering Circular must be read in conjunction with all documents deemed to be incorporated by reference (see “Incorporation by Reference”) and shall be construed accordingly. This Offering Circular shall be read and construed on the basis that such documents are so incorporated and form part of the Offering Circular. This Offering Circular comprises a base prospectus for the purposes of Article 5.4 of the Directive 2003/71/EC (the “**Prospectus Directive**”).

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or any Dealer. This Offering Circular does not relate to any securities other than the Notes or constitute an offer to any person in any jurisdiction where such offer would be unlawful. Delivery of this Offering Circular at any time does not imply that the information in this Offering Circular is correct as of any time subsequent to its date.

The Issuer accepts responsibility for the information contained in this Offering Circular. To the Issuer’s best knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Dealers have not separately verified the information contained herein. Accordingly, no representation, warranty, or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Offering Circular or any Final Terms or any other information provided by the Issuer. The Dealers do not accept any liability in relation to the information contained in this Offering Circular or any Final Terms or any other information provided by the Issuer in connection with the Program.

The price and amount of the Notes to be issued under the Program will be determined by the Issuer and the relevant Dealers at the time of issue in accordance with prevailing market conditions.

Copies of the applicable Final Terms will be available from the specified office set out below of each of the Paying Agents (as defined below).

Neither the delivery of this Offering Circular nor the offer, sale, or delivery of any Notes shall imply in any circumstance that there has been no material adverse change, or any event reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of the Issuer or any of its subsidiaries since the date hereof.

The Issuer has undertaken, in connection with the listing of the Notes, that, while Notes are outstanding and listed on the London Stock Exchange, in the event of any significant new factor, material mistake, or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, the Issuer will prepare an amendment or supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent offering of Notes to be listed on the London Stock Exchange.

Neither this Offering Circular nor any other information supplied in connection with the Program is intended to provide the basis of any credit or other evaluation, and any recipient of this Offering Circular should not consider such receipt to be a recommendation to purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. None of the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers.

In respect of Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), and Physical Delivery Notes (all as defined below), the applicable Final Terms will specify the nature of the responsibility taken by the Issuer for the information relating to any underlying equity security, index, debt security, credit, currency exchange rate, commodity, commodity index, or other asset(s) (each, an “**Underlying Asset**”) (if applicable) to which the relevant Notes relate and which is contained in such Final Terms. However, unless otherwise expressly stated in the applicable Final Terms, any information contained therein relating to an Underlying Asset(s) will only consist of extracts from, or summaries of, information contained in financial and other information released publicly by the issuer, owner, or sponsor, as the case may be, of such Underlying Asset(s) or which is otherwise publicly available. The Issuer will, unless otherwise expressly stated in the applicable Final Terms, accept responsibility for accurately reproducing such extracts or summaries (insofar as it is applicable) and will state in the applicable Final Terms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such issuer, owner, or sponsor, as the case may be, no facts have been omitted which would render the reproduced information relating to such Underlying Asset(s) inaccurate or misleading, but the Issuer will not accept any further or other responsibility (express or implied) in respect of such information. Unless otherwise stated in the applicable Final Terms, the Issuer does not intend to provide post-issuance information in relation to the Underlying Asset(s).

In making an investment decision with respect to any Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), and Physical Delivery Notes, an investor should, where relevant, give consideration to the Underlying Asset(s) relating to such Notes, and, accordingly, an investor should conduct an independent investigation of the relevant Underlying Asset(s) and the risks related to an investment in such Notes. In such investigation, an investor should (i) obtain copies of all the documents that are publicly available to the potential and actual investors in such Underlying Asset(s) and review all such documents carefully, (ii) ask questions of the respective managements of the issuers, owners, guarantors, or sponsors of such Underlying Asset(s) in respect of such documentation and in respect of such other matters as such an investor deems necessary or appropriate to making an informed investment decision with respect to such Underlying Asset(s), (iii) request from the issuers, owners, guarantors, or sponsors of the Underlying Asset(s) all additional information considered by such an investor to be necessary or appropriate to verify the accuracy of, or to supplement the information contained in, the applicable Final Terms or in the documents otherwise obtained by such an investor, (iv) consult such investor’s own legal counsel and business, investment, financial, accounting, regulatory, tax, and other professional advisors to determine the consequences of the investment in such Notes, and (v) not rely on the Issuer, any Dealer(s), or any of their Affiliates in connection with such investor’s investigation of the accuracy of such information or such investor’s investment decision. Investors in Notes linked to Underlying Assets should be aware that, other than in certain circumstances in relation to Physical Delivery Notes as specified in the relevant Final Terms, the Underlying Asset will not be held by the Issuer for the benefit of investors, and as such, investors will not obtain any rights of ownership, including without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to the Underlying Asset. For the avoidance of doubt, other than in certain circumstances in relation to Physical Delivery Notes, no affiliate of the Issuer is under any obligation whatsoever to acquire and hold any Underlying Asset.

An investment in Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), and Physical Delivery Notes is subject to a very high degree of complex risks that may arise without warning, may at times be volatile, and losses may occur quickly and in unanticipated magnitudes. Such Notes may be extremely speculative and investors bear the risk of losing all of their investment. No

person should acquire any such Notes unless (i) that person understands the nature of the relevant transaction and the terms of the relevant Notes and the extent of that person's exposure to potential loss, (ii) that person has a valid business purpose for acquiring such Notes, and (iii) any investment in such Notes is consistent with such person's overall investment strategy. Each prospective investor should consider carefully whether any Notes issued under the Program which it considers acquiring are suitable for it in the light of such prospective investor's investment objectives, financial capabilities, and expertise. See "Risk Factors" on pages 17 to 26 of this Offering Circular.

The Notes have not been, and will not be, registered under the Securities Act. The Notes may not be offered, sold, or delivered within the United States or to U.S. persons, except as provided herein. Bearer Notes will be subject to United States tax law requirements – see "Subscription and Sale".

Neither this Offering Circular nor any Final Terms constitute, nor may be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which that offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

The distribution of this Offering Circular and the offer of Notes may be restricted by law in certain jurisdictions. Neither the Issuer nor any of the Dealers represents that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or any Dealer which would permit a public offering of any Notes outside the European Economic Area or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations, and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possessions this Offering Circular or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area, and certain other jurisdictions. See "Subscription and Sale" below.

The Issuer may use this Offering Circular in the initial sale of any Notes. In addition, Merrill Lynch International ("MLI") or any other affiliate of the Issuer may use this Offering Circular in market-making transactions with respect to any Notes after their initial sale.

Nothing herein should be considered to impose on the recipient of this Offering Circular any limitation on disclosure of the tax treatment or tax structure of the transactions or matters described herein.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on behalf of a Stabilizing Manager) will undertake any stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager(s) (or person(s) acting on behalf of any Stabilizing Manager(s)) in accordance with all applicable laws and rules.

Offering Circular references to “**U.S. Dollars**”, “**\$**”, “**U.S. \$**”, “**U.S.D.**”, and “**U.S. Cents**” refer to the currency of the United States of America, those to “**Sterling**”, “**Pounds Sterling**”, and “**£**” refer to the currency of the United Kingdom, those to “**Japanese Yen**”, “**Yen**”, and “**¥**” refer to the currency of Japan and those to “**EUR**”, “**euro**”, and “**€**” refer to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to Article 109g of the Treaty establishing the European Community, as amended by the Treaty on European Union, as amended by the Treaty of Amsterdam (the “**EC Treaty**”).

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SUMMARY OF THE PROGRAM

This summary must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of the Offering Circular as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the Issuer in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate, or inconsistent when read together with the other parts of this Offering Circular. Where a claim relating to the information contained in this Offering Circular is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Offering Circular before the legal proceedings are initiated. Words and expressions defined under “Form of the Notes” and “Terms and Conditions of the Notes” below shall have the same meanings in this summary.

Issuer:	Bank of America Corporation.
Description:	Euro Medium-Term Notes.
Arranger:	Merrill Lynch International.
Dealers:	Barclays Bank PLC Bayerische Hypo- und Vereinsbank AG BNP Paribas Citigroup Global Markets Limited Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch Goldman Sachs International ING Bank N.V. Merrill Lynch International Morgan Stanley & Co. International plc The Royal Bank of Scotland plc and any other Dealer appointed in accordance with the Program Agreement.
Calculation Agents:	Bank of America, N.A., Merrill Lynch Capital Services, Inc., and such other calculation agents as the Issuer may appoint from time to time.
Principal Agent:	Bank of America, N.A., London Branch.
Registrar:	Merrill Lynch International Bank Limited.
Delivery Agent:	One or more delivery agents as may be appointed from time to time by the Issuer, and specified in the applicable Final Terms.
Size:	Up to U.S. \$65,000,000,000 (or the equivalent in any other currency), subject to the right of the Issuer to increase such limit in accordance with the terms of the Program Agreement.
Regulatory Matters:	The Issuer will only issue Notes denominated in a currency with respect to which particular laws, guidelines,

regulations, restrictions, or reporting requirements (“**Regulations**”) apply if the Issuer determines that it may reasonably comply with such Regulations.

Distribution:

Notes may be distributed privately or publicly either on a syndicated or non-syndicated basis.

Selling Restrictions:

European Economic Area, the United States, the United Kingdom, Japan, and The Netherlands and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes.

Currencies:

Subject to compliance with all applicable legal and regulatory requirements, Notes may be issued in such currencies as the Issuer and the relevant Dealers may agree.

Issue Price:

Notes may be issued on a fully-paid or partly-paid basis and at an issue price which is at par or at a discount to, or at a premium over, par.

Form of Notes:

Unless otherwise agreed to by the Issuer and the relevant Dealers, each Tranche of Notes to be issued in bearer form will initially be represented by a Bearer Temporary Global Note. The Bearer Temporary Global Note will be delivered on or prior to the issue date, to (1) the Common Safekeeper (if the Bearer Temporary Global Note is intended to be issued in NGN form, as stated in the applicable Final Terms) for the Relevant Clearing Systems or (2) the Common Depository (if the Bearer Temporary Global Note is intended to be issued in CGN form) for the Relevant Clearing Systems. Interests in the Bearer Temporary Global Note will be exchangeable for interests in a Bearer Permanent Global Note or, under certain circumstances, for Bearer Definitive Notes, on or after the date determined in accordance with the Agency Agreement, which generally is 40 calendar days after a Bearer Temporary Global Note is issued (the “**Exchange Date**”), provided that certificates as to non-United States beneficial ownership of interests in the Bearer Temporary Global Note have been received by the Principal Agent.

Unless otherwise agreed to by the Issuer and the relevant Dealers, each Tranche of Notes to be issued in registered form will initially be represented by a Registered Global Certificate or by a Registered Definitive Certificate, one Registered Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. The Registered Global Certificate will be delivered on or prior to the issue date to the Common Depository for the Relevant Clearing Systems. Beneficial interests in a Registered Global Note will be exchangeable for Registered Definitive Notes only in limited circumstances.

Denomination of Notes:

Such denominations as the Issuer may agree upon with the relevant Dealers and indicated in the applicable Final Terms. However, the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Specified Currency, and the minimum denomination of each Note admitted to trading on a European Economic Area exchange and/or offered to the public within the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or the equivalent amount in another currency).

Unless otherwise permitted by applicable laws and regulations, Notes (including Notes denominated in Sterling) in respect of which the proceeds are to be accepted by the Issuer in the United Kingdom and which have a maturity of less than one year from the date of issue must (a) have a minimum redemption value of £100,000 (or its equivalent in other currencies), and be issued only to persons (1) whose ordinary activities involve them in acquiring, holding, managing, or disposing of investments (as principal or agent) for the purposes of their businesses or (2) who it is reasonable to expect will acquire, hold, manage, or dispose of investments (as principal or agent) for purposes of their businesses or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA.

Redenomination:

The Issuer may specify in the applicable Final Terms that Notes may be redenominated into euro.

Fixed-Rate Notes:

Notes bearing interest at a fixed rate (the “**Fixed-Rate Notes**”) will pay interest on such dates as the Issuer and the relevant Dealers agree and on the Maturity Date, and such interest will be calculated on the basis of the Fixed Day Count Fraction specified in the applicable Final Terms.

Floating-Rate Notes:

Notes bearing interest at a floating rate (the “**Floating-Rate Notes**”) will bear interest at a rate determined (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency, governed by an agreement incorporating the ISDA Definitions, (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service, or (c) on such other basis as the Issuer and the relevant Dealers may agree, as indicated in the applicable Final Terms.

The Issuer and the relevant Dealers for each issue of Floating-Rate Notes will agree on the margin, if any, relating to such floating rate. The amount of interest

Notes Linked to Underlying Asset(s):

payable on the Floating-Rate Notes will be calculated using the method specified in the applicable Final Terms.

Payments (whether in respect of principal or other amounts payable upon redemption and/or interest) may be calculated by reference to:

- an index or a basket of indices (“**Index Linked Notes**”)
- a share or a basket of shares (“**Share Linked Notes**”)
- one or more consumer price indices and/or formula(e) (“**Inflation Linked Notes**”)
- a commodity or a basket of commodities, or one or more commodity indices (“**Commodity Linked Notes**”)
- one or more foreign exchange rate or rates (“**FX Linked Notes**”)
- one or more other Underlying Asset(s) (“**Notes Linked to other Underlying Asset(s)**”)
- any combination of Underlying Asset(s) and/or formula(e) (“**Hybrid Notes**”)

Physical Delivery Notes:

Notes in which the payment of principal or other amounts payable upon redemption and/or interest, may be made by delivery of any Underlying Asset(s) are “**Physical Delivery Notes**”. Provisions regarding such payments will be specified in the applicable Final Terms.

Amortizing Notes:

Notes in which the payment of principal and interest is based on an amortization table are “**Amortizing Notes**”. The Issuer and the relevant Dealers will agree on the applicable amortization table which will be specified in the applicable Final Terms.

Payments on Amortizing Notes will be applied first to interest due and then to the reduction of the unpaid principal amount, unless otherwise indicated in the applicable Final Terms.

Dual Currency Notes:

Notes in which the payment of principal or interest (whether at maturity or otherwise) may be payable in more than one Specified Currency are “**Dual Currency Notes**”. The denomination of such Notes (the “**Specified Denomination**”) will be based on such rates of exchange as agreed between the Issuer and the relevant Dealers, as specified in the applicable Final Terms.

Zero Coupon Notes:	Notes issued on a non-interest bearing basis (“ Zero Coupon Notes ”) will be offered and sold at a discount to their principal amount or at a discount to par and will not bear interest other than in the case of late payment.
Partly Paid Notes:	Notes in which the interest will accrue on the paid-up amount of such Notes are “ Partly Paid Notes ”.
Installment Notes:	Notes redeemable in installments are “ Installment Notes ”.
Notes Linked to other Underlying Asset(s):	Payments in respect of principal or other amounts payable upon redemption, settlement, or exercise, and/or interest in respect of all other Notes will be made in accordance with the applicable Final Terms.
Principal Protected Notes:	Notes as to which the amount of cash and fair market value of property delivered at maturity or upon early redemption may not be less than the Specified Denomination of such Note.
Non-Principal Protected Notes:	Notes which are not Principal Protected Notes.
Redemption:	The applicable Final Terms will indicate either that (a) a Tranche of Notes cannot be redeemed prior to their Maturity Date (other than in specified installments, if any, or for tax reasons or following an Event of Default) or (b) the Notes will be redeemable at the option of the Issuer and/or Noteholders upon not less than 30 nor more than 60 calendar days’ irrevocable notice (or such other notice period, if any), to Noteholders or the Issuer, as the case may be, on the date(s) specified prior to their Maturity Date and, at a price or prices and on such other described terms.
Market Disruption Events:	In respect of Index Linked Notes, Share Linked Notes, Commodity Linked Notes, Hybrid Notes, and certain other types of Notes, if the Calculation Agent determines that a Market Disruption Event has occurred or exists on a Reference Date, such date may be postponed and alternative provisions in respect of the relevant Underlying Asset(s) may apply.
Adjustments to Index Linked Notes for Certain Events:	In respect of Index Linked Notes, the occurrence of an Index Adjustment Event or Additional Disruption Event may result in adjustments to the terms of such Notes and calculations as described in the Conditions and could lead to such Notes being redeemed early.
Adjustments to Share Linked Notes for Certain Events:	In respect of Share Linked Notes, the occurrence of a Potential Adjustment Event, Merger Event, Tender Offer, Additional Disruption Event, Nationalization, Insolvency, or Delisting, may result in adjustments to the terms of such Notes and calculations as described in the Conditions and could lead to such Notes being redeemed early.

Settlement Disruption Events:

In respect of Share Linked Notes which are Physical Delivery Notes, if a Settlement Disruption Event occurs or exists on the Delivery Date, settlement may be postponed until the next day on which no Settlement Disruption Event (essentially an event beyond the control of the Issuer or other hedging entity as a result of which, (i) in the opinion of the Calculation Agent, delivery of the Physical Delivery Amount by or on behalf of the Issuer, in accordance with the Conditions, is not practicable, or (ii) the Relevant Clearing System cannot clear the transfer of the relevant Underlying Asset(s)) occurs. The Issuer in these circumstances may also have the right to pay the Disruption Cash Redemption Amount or Disruption Cash Settlement Amount, as the case may be, in lieu of delivering the Underlying Asset(s).

Status of Notes:

The applicable Final Terms will specify whether the Notes are Senior Notes or Subordinated Notes. Senior Notes will rank equally with all other unsubordinated and unsecured indebtedness of the Issuer. Subordinated Notes shall be subordinated in right of payment to all existing and future Senior Indebtedness of the Issuer as provided in Condition 3. There is no limitation on the amount of additional indebtedness that the Issuer may incur.

Payment of principal and interest accrued thereon (and any Additional Amounts), of the Subordinated Notes may not be accelerated in the case of a default in the payment of principal or interest by the Issuer or the performance of any other covenant of the Issuer, but may be accelerated only in the case of bankruptcy or insolvency.

Listing:

Application has been made to the UK Listing Authority for Notes to be admitted to the Official List and to trading on the London Stock Exchange's Regulated Market.

Notes also may be listed or admitted to trading, as the case may be, on other or additional stock exchanges or markets as agreed between the Issuer and the relevant Dealers.

Unlisted Notes may also be issued. The applicable Final Terms will state whether the Notes are to be listed (and the stock exchanges, if applicable).

Governing Law of the Notes:

Laws of the State of New York, United States.

Withholding Tax:

With respect to Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Physical Delivery Notes, Notes Linked to other Underlying Asset(s) (the "**Linked Notes**"), and Dual Currency Notes, the applicable Final Terms will state whether (i) the Issuer or its agent will withhold United States tax on such Notes, or (ii) except as

provided in “United States Taxation”, the Issuer does not intend to withhold tax with respect to payments to a United States Alien.

Additional Amounts:

All payments to a United States Alien in respect of Notes other than any Linked Notes, or Dual Currency Notes will be made free and clear of any withholdings or deduction for or on account of any United States taxes, as provided and subject to the limitations contained in Condition 8.

With respect to any Linked Notes that are Non-Principal Protected Notes, and with respect to Dual Currency Notes, payments to a United States Alien will be made subject to any withholdings or deduction for or on account of any United States taxes, without obligation on the Issuer to pay additional amounts in respect of such withholdings or deductions unless otherwise specified in the applicable Final Terms.

With respect to Linked Notes that are Principal Protected Notes, payments to a United States Alien will be made free and clear of any withholdings or deduction for or on account of any United States taxes, as provided and subject to the limitations contained in Condition 8, unless otherwise specified in the applicable Final Terms.

Re-opening:

Subject to compliance with all U.S. applicable selling restrictions, including, in respect of Bearer Notes, the restrictions set forth in Treasury Regulations Section 1.163-5 under the U.S. Internal Revenue Code of 1986, as amended (the “Code”) the Issuer may issue additional Tranches of Notes under an existing Series of Notes, without notice, by selling additional Notes with the same terms of the existing Series. Any such additional Tranche of Notes will be treated, for all purposes, like the Notes originally issued, except that the new Tranche of Notes may begin to bear interest at a different date and have a different issue date and price.

Risk Factors:

There are certain factors that (i) may affect the Issuer’s ability to fulfill its obligations under the Notes, including liquidity, credit, and event risks, and (ii) are material for the purpose of assessing the market risks associated with the Notes, including the structure of an issue of Notes and general market risks. There are additional risks relating to Dual Currency Notes and Linked Notes.

Cross Default:

None

INCORPORATION BY REFERENCE

The following documents which have been filed with the United States Securities and Exchange Commission (the “SEC”) and which have previously been approved by, or filed with, the Financial Services Authority, shall be deemed to be incorporated by reference in, and form part of, this Offering Circular:

- (i) the Issuer’s Current Reports on Form 8-K filed on January 2, 2009, January 7, 2009, January 13, 2009, January 16, 2009, January 22, 2009, January 28, 2009, February 3, 2009 (2 filings), February 25, 2009 (the “**February 25, 2009, Form 8-K Report**”), March 3, 2009, March 12, 2009, April 20, 2009 (2 filings), May 8, 2009 (2 filings), May 20, 2009, May 27, 2009, May 28, 2009 (the “**May 28, 2009, Form 8-K Report**”), May 29, 2009, June 2, 2009, June 4, 2009 (2 filings), June 5, 2009, June 8, 2009, June 19, 2009, June 29, 2009, and July 17, 2009 (other than, with respect to these reports, information that is furnished but deemed not to have been filed under the rules of the SEC);
- (ii) the unaudited pro forma condensed combined financial statements presenting the impact of the merger of a wholly-owned subsidiary of the Issuer with and into Merrill Lynch & Co., Inc. (“**Merrill Lynch**”) on January 1, 2009, and the merger of Countrywide Financial Corporation into a wholly-owned subsidiary of the Issuer on July 1, 2008, on the companies’ respective historical financial positions and results of operations as of and for the year ended December 31, 2008, dated March 3, 2009 (the “**March 3, 2009, Form 8-K/A**”);
- (iii) the Issuer’s Quarterly Report on Form 10-Q for the period ended March 31, 2009 (the “**First Quarter 2009 Form 10-Q Quarterly Report**”);
- (iv) the Issuer’s Annual Report on Form 10-K for the year ended December 31, 2008, other than pages 13 to 184, which shall not be incorporated by reference into this Offering Circular (the “**2008 Form 10-K Annual Report**”); and
- (v) for the purpose of any issue of Notes under the Program which are to be consolidated and form a single Series with an existing Tranche or Series of Notes, the terms and conditions of the Notes (which are not set out in this Offering Circular) on the specified pages of the offering circulars of the Issuer as set out below:
 - (A) pages 49 to 82 of the offering circular dated July 25, 2008;
 - (B) pages 29 to 57 of the offering circular dated July 26, 2007;
 - (C) pages 34 to 61 of the offering circular dated August 21, 2006; and
 - (D) pages 31 to 58 of the offering circular dated August 4, 2005;

provided that for the purposes of the prospectus rules enacted under Section 73A of the FSMA, any documents incorporated by reference into the above documents do not form part of this Offering Circular.

The historical financial information of the Issuer on a consolidated basis for the two years ended December 31, 2008, has been incorporated by reference in the 2008 Form 10-K Annual Report and the May 28, 2009, Form 8-K Report. As disclosed in the May 28, 2009, Form 8-K Report, the Issuer changed the basis of presentation to report the results of its operations through six business segments: *Deposits, Global Card Services, Home Loans & Insurance, Global Banking, Global Markets and Global Wealth & Investment Management*, with the remaining operations recorded in *All Other*. As a result, the historical information for the years ended December 31, 2007, and December 31, 2008, with this change in the basis of presentation, is contained in the May 28, 2009, Form 8-K Report.

The unaudited pro forma condensed combined financial information and explanatory notes contained in the March 3, 2009, Form 8-K/A present the impact of (i) the merger of a wholly-owned subsidiary of the Issuer with and into Merrill Lynch on January 1, 2009, and (ii) the merger of Countrywide Financial Corporation into a wholly-owned subsidiary of the Issuer on July 1, 2008, on the companies' respective historical financial positions and results of operations.

Investors in the Notes shall be deemed to have notice of all information contained in the documents incorporated by reference into this Offering Circular, as if all such information were included in this Offering Circular. Investors who have not previously reviewed such information should do so in connection with their purchase of Notes. Copies of all such reports will be available for inspection without charge at the office of the Principal Agent in London.

The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the oral or written request of such person, a copy of any or all of the documents incorporated herein by reference. Written requests for such documents should be directed to: Bank of America Corporation, Bank of America Corporate Center, 100 North Tryon Street, NC1-007-07-13, Charlotte, North Carolina 28255-0065, Attention: Corporate Treasury – Governance and Control, securities.administration@bankofamerica.com. Telephone requests may be directed to (980) 386-5972. The Issuer's filings with the SEC are available through (1) the SEC's website at www.sec.gov or the SEC's Public Reference Room, 100 F Street, N.E., Room 1580, Washington, D.C. 20549, and (2) the Issuer's website at www.bankofamerica.com. References to web addresses in this Offering Circular are included as inactive textual references only. Except as specifically incorporated by reference into this Offering Circular, information on these websites is not part of this Offering Circular.

RISK FACTORS

The following section does not describe all of the risks and investment considerations (including those relating to the prospective investor's particular circumstances) with respect to an investment in the Notes. Prospective investors should consult their own financial, legal, tax, and other professional advisors as to the risks arising from an investment in an issue of Notes (in particular, to evaluate the sensitivity of an investment to changes in economic conditions, interest rates, exchange rates, or other indices or factors which may have a bearing on the merits and risk of an investment), and the suitability of the investment for the investor. The Issuer believes that the factors described below represent the principal risks inherent in an investment in the Notes.

The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Notes under the Program. In addition, factors which are material for the purpose of assessing the market for Notes under the Program are also described below.

Risks Relating to the Issuer's Business

As a large, international financial services company, the Issuer faces risks that are inherent in the business and market places in which it operates. Factors that could affect the Issuer's business and future financial performance include the general business, economic, and political conditions in the United States and in other countries, competition in the Issuer's industry, credit risks, changes in applicable laws or regulations, governmental fiscal and monetary policies and liquidity of global markets. These and other factors or risks relating to the Issuer's business are described in the Issuer's 2008 Form 10-K Annual Report, under the caption "Item 1A. Risk Factors".

Risks Relating to the Notes

Currency Risks. If a purchaser invests in Notes denominated or payable in a Specified Currency other than the currency in which that purchaser normally conducts business, or the "**home country currency**", the investment will be subject to significant risks not associated with an investment in a debt security denominated and payable in the home country currency. These risks include the possibility of material changes in the exchange rate between the home country currency and the Specified Currency of the Notes and the imposition or modification of exchange controls by the applicable governments. The Issuer has no control over the factors that generally affect these risks, including economic, financial, and political events, and the supply and demand for the applicable currencies. Moreover, if payments on these types of Notes are determined by reference to a formula containing a multiplier or leverage factor, the effect of any change in the exchange rates between the applicable currencies will be increased. This Offering Circular does not describe all the risks of an investment in Notes denominated in, or paid based upon, a currency (including a composite currency) other than the home country currency.

Exchange Rates. In recent years, fluctuations in exchange rates between certain currencies have been highly volatile, and volatility between these currencies or with other currencies should be expected in the future. Fluctuations between currencies in the past are not necessarily indicative of fluctuations that may occur in the future. Depreciation of a purchaser's payment currency will result in a decrease in the home country currency equivalent yield of the Notes, in the home country currency equivalent value of the principal and any premium payable at maturity or any earlier redemption of the Notes and, generally, in the home country currency equivalent market value of the Notes. The Issuer generally will not make any adjustment in or change to the terms of the Notes for changes in the exchange rate for the specified currency, including any devaluation, revaluation, or imposition of exchange or other regulatory controls or taxes, or for other developments affecting the Specified Currency. Consequently, investors will bear the risk that their investment may be affected adversely by these types of events.

Government Policy. Currency exchange rates either can float or be fixed by sovereign governments. Governments or governmental bodies, including the European Central Bank, may intervene in their economies to alter the exchange rate or exchange characteristics of their currencies. For example, a central bank may intervene to devalue or revalue a currency or to replace an existing currency. In addition, a government may impose regulatory controls or taxes to affect the exchange rate of its currency. As a result, the yield or payout of the Notes could be affected significantly and unpredictably by governmental actions. Changes in exchange rates could affect the value of the Notes as participants in the global currency markets move to buy or sell the Specified Currency in reaction to these developments.

Government Exchange Controls. From time to time, governments impose exchange controls that influence exchange rates and could limit the availability of the Specified Currency on an Interest Payment Date or the Maturity Date of a Note. It is possible that government exchange controls could restrict or prohibit the Issuer's payment of principal or interest in the Specified Currency. In addition, the ability of a holder to move the Specified Currency freely out of the country in which payment in the Specified Currency is received or to convert the Specified Currency at a freely determined market rate could be limited by governmental actions. Even if there are no exchange controls, it is possible that the Specified Currency will not be available to the Issuer to make payment of interest and principal when required.

Final Terms relating to Notes denominated other than in U.S. Dollars may contain additional information which will constitute a part of this Offering Circular.

Non-U.S. Dollar Judgments. The Notes will be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of laws. Many courts in the United States will not render judgments for money damages denominated in any currency other than U.S. Dollars. The Judiciary Law of the State of New York provides, however, that judgment in an action based upon an obligation denominated in a currency other than U.S. Dollars will be rendered in the foreign currency of the underlying obligation and converted into U.S. Dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree. Consequently, in a lawsuit for payment on the Notes, holders of the Notes could bear currency exchange risk until a judgment or decree is entered, which could be a long time.

The Notes May Not Be a Suitable Investment for All Investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes, and the information contained or incorporated by reference in this Offering Circular or any applicable Final Terms;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) have knowledge of and access to appropriate analytical resources to analyze quantitatively the effect (or value) of any redemption, cap, floor, or other features of the Notes, and the resulting impact upon the value of the Notes;
- (v) understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and

- (vi) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate, and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes, and the impact this investment will have on the potential investor's overall investment portfolio.

EU Savings Directive. On July 1, 2005, an EU Directive (the "**Savings Directive**") regarding the taxation of savings income payments came into effect. The Savings Directive obliges a Member State to provide to the tax authorities of another Member State details of payments of interest or other similar income payments made by a person within its jurisdiction for the immediate benefit of an individual or to certain non-corporate entities resident in that other Member State (or for certain payments secured for their benefit). However, Austria, Belgium, and Luxembourg have opted out of the reporting requirements and are instead applying a special withholding tax for a transitional period in relation to such payments of interest, deducting tax at rates rising over time to 35.00 per cent. This transitional period commenced on July 1, 2005 and will terminate at the end of the first fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from July 1, 2005, a number of non-EU countries and certain dependent or associated territories of Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments of interest or other similar income payments made by a person in that jurisdiction for the immediate benefit of an individual or to certain non-corporate entities in any Member State. The Member States have entered into reciprocal provision of information or transitional special withholding tax arrangements with certain of those dependent or associated territories. These apply in the same way to payments by persons in any Member State to individuals or certain non-corporate residents of those territories.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, none of the Issuer, any paying agent, or any other person would be obliged to pay additional amounts with respect to any Notes as a result of the imposition of such withholding tax. If a withholding tax is imposed on a payment made by a paying agent following implementation of the Savings Directive, the Issuer will be required to maintain a paying agent in a Member State that would not be obliged to withhold or deduct tax pursuant to the Savings Directive.

Listing. If the applicable Final Terms specify that a Series of Notes is to be listed on or admitted to trading by a stock exchange or market, including those that qualify as regulated markets within the meaning of Article 4(14) of Directive 2004/39/EEC (each, an "**EU Exchange**"), the Issuer expects that Series of Notes to be listed or admitted to trading as stated in the Final Terms. A change in listing requirements, including a determination that financial statements must be prepared in accordance with International Financial Reporting Standards ("**IFRS**"), could cause the Issuer to conclude that the continued listing of a Series of Notes is unduly burdensome and to de-list the Series of Notes. In the event listing on an EU Exchange becomes unduly burdensome, the Issuer may, but is not obligated to, seek an alternative listing for the applicable Series of Notes. If an alternative listing is not available or is, in the Issuer's opinion, unduly burdensome, the alternative listing may not be obtained. Although the Issuer does not make any assurance as to the liquidity of Notes that are listed on an EU Exchange, the de-listing of

Notes from any EU Exchange may have a material adverse affect on the ability of Noteholders to sell their Notes in the secondary market.

Usury Laws. New York law governs the Notes. New York usury laws limit the amount of interest that can be charged and paid on loans, including debt securities that are like the Notes. Under current New York law, the maximum permissible rate of interest is 25.00 per cent. per annum on a simple interest basis. This limit may not apply to debt securities in which \$2,500,000 or more has been invested. While a court sitting outside of New York may give effect to New York law, many other nations and jurisdictions also have laws that regulate the amount of interest that may be charged to and paid by a borrower. The Issuer does not intend to claim the benefits of any laws concerning usurious rates of interest.

Hedging Activities. At any time, the Issuer or its Affiliates may engage in hedging activities related to the Notes or to any Underlying Asset(s) applicable to the Notes or other securities or instruments that the Issuer or its Affiliates may issue. These hedging activities, in turn, may increase or decrease the value of the Notes. In addition, the Issuer or its Affiliates may acquire a long or short position in the Notes from time to time. All or a portion of these positions may be liquidated at any time, including about the time of the Maturity Date of the Notes. The aggregate amount and the composition of such positions are likely to vary over time. The Issuer has no reason to believe that any of its or its Affiliates' hedging activities will have a material impact on the Notes, either directly or indirectly, by impacting the price of a component of such Underlying Asset(s); however, there can be no assurance that the Issuer's or its Affiliates' hedging activities will not affect such price.

Trading Activities. The Issuer or one or more of its Affiliates, including MLI and Bank of America, N.A., may engage in trading activities relating to the Notes or any Underlying Asset(s) applicable to the Notes that are neither for an investor's account nor on an investor's behalf. These trading activities may be conducted for the accounts of the Issuer or its Affiliates, for business reasons, or in connection with hedging the Issuer's obligations under the Notes. These trading activities may present a conflict of interest between an investor's interest in the Notes and the interests that the Issuer and its Affiliates may have in their proprietary accounts, in facilitating transactions, including block trades, for their customers and in accounts under their management. These trading activities could be adverse to an investor's interests as a holder of the Notes.

Additional Risks Relating to Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), and Physical Delivery Notes. Subject to compliance with all applicable legal, regulatory, and clearing systems settlement requirements, the Issuer may issue Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, and Notes Linked to other Underlying Asset(s) which may be settled by payment of cash or by delivery of assets other than cash, such as by payment of securities, loans, or other instruments. The principal, interest, and other amounts payable or deliverable in respect of these Notes may not be known at the date of purchase of the Notes and will be dependent upon the performance of one or more Underlying Asset(s), which themselves may contain substantial credit, interest rate, foreign exchange, time value, political, and/or other risks. However, depending upon the specific terms of the Notes, an investor's return on these Notes may vary substantially from changes in the level or prices of the Underlying Asset(s).

Specific information pertaining to the method of determining the principal, interest, and other amounts payable will be contained in the applicable Final Terms, as well as additional risk factors specific to the Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, or Notes Linked to other Underlying Asset(s), historical information with respect to the specified index, share, commodity, foreign exchange rate, or other Underlying Asset(s), and additional tax considerations.

Generally, an investment in Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, and Notes Linked to other Underlying Asset(s) involves risks in addition to those normally associated with conventional debt securities, as further described in the applicable Final Terms.

Potential investors in Notes linked to Underlying Assets, including any Physical Delivery Note, should be aware that the Noteholders will not have any recourse to the Underlying Asset in the event of the Issuer's insolvency.

Principal Amount. The principal amount, or Specified Denomination of a Dual Currency Note, an Index Linked Note, Share Linked Note, Inflation Linked Note, Commodity Linked Note, FX Linked Note, Hybrid Note, Note Linked to other Underlying Asset(s), or Physical Delivery Note may or may not be fully "principal protected" against declines in the relevant asset. If it is not fully principal protected, this means that the principal amount the investor will receive at maturity may be less than the Specified Denomination and/or the original purchase price of the Dual Currency Note, Index Linked Note, Share Linked Note, Inflation Linked Note, Commodity Linked Note, FX Linked Note, Hybrid Note, or Note linked to other Underlying Asset(s). It also is possible that no principal will be repaid at all. Whether or not a Note is principal protected, all payments on such Note are subject to the Issuer's credit risk, and its ability to pay its obligations on the applicable payment date or dates.

Interest Payments. If the interest rate of a Dual Currency Note, Index Linked Note, Share Linked Note, Inflation Linked Note, Commodity Linked Note, FX Linked Note, Hybrid Note, or Note Linked to other Underlying Asset(s) is indexed (whether or not the principal amount is indexed), or relates to the performance of one or more Underlying Asset(s), the investor may receive interest payments that are less than those the investor would have received had the investor purchased a conventional debt security at the same time having the same maturity date. Any fixed or floating rate of interest on these Notes may also be at a lower rate than a conventional debt security. It is also possible that no interest will be paid.

Multiplier or Leverage Factor. Some Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, and Notes Linked to other Underlying Asset(s) may have interest, principal, or other payments that increase or decrease at a rate greater than the rate of a favorable or unfavorable movement in the applicable Underlying Asset(s). This is referred to as a multiplier or leverage factor. A multiplier or leverage factor in the relevant Underlying Asset(s) will increase the risk that there may be no, or a limited, return on these Notes.

Early Payment. If an Index Linked Note, Share Linked Note, Inflation Linked Note, Commodity Linked Note, FX Linked Note, Hybrid Note, or Note Linked to other Underlying Asset(s) is sold, redeemed, or called prior to its scheduled Maturity Date, in accordance with its terms, the amount the investor will receive may be less than the principal amount or anticipated return on such Notes.

Tax Consequences. The United States federal income tax consequences of Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), and Physical Delivery Notes are uncertain. No statutory, judicial, or administrative authority directly addresses the characterization of such Notes or securities similar to such Notes for United States federal income or other tax purposes. As a result, significant aspects of the tax consequences of an investment in these Notes are not certain. The Issuer will not request a ruling from the U.S. Internal Revenue Service (the "IRS") or any other tax authority for any such Note and, therefore, cannot provide any assurance that the IRS or any other tax authority will agree with the statements made in this Offering Circular or any applicable Final Terms.

Noteholders should review the section "United States Taxation" and consult the applicable Final Terms as to whether the Issuer will withhold or intends not to withhold United States tax with respect to

Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), and Physical Delivery Notes. Noteholders should be aware that, except as set forth in the applicable Final Terms, the Issuer will withhold tax on Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), and Physical Delivery Notes, in each case if the applicable Final Terms indicates that they are “Non-Principal Protected Notes” or if the applicable Final Terms otherwise indicates that the Issuer will withhold tax on such Notes, and on Dual Currency Notes and that the Issuer does not assume any liability for the payment of any such tax or for payment of any additional amount in respect thereof except to the limited extent set forth in the Terms and Conditions and the applicable Final Terms. Noteholders should therefore be aware that in respect of payments on such Notes from which tax is withheld and no additional amounts are paid they will not receive the full amount that they would have received if no withholding had been made.

Payments of interest on the Notes, or amounts received by an investor upon the sale, repayment, redemption, exercise, or settlement of the Notes, may be subject to taxation in the Noteholder’s home jurisdiction or in other jurisdictions in which the Noteholder is required to pay taxes. The tax impact on a Noteholder as to any Notes may also differ in respect of Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), or Physical Delivery Notes, respectively, and other Notes that may be issued under the Program. Any of these taxes could reduce an investor’s actual yield on the Notes.

Factors Affecting the Trading Value. The trading market for, and trading value of, Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, and Notes Linked to other Underlying Asset(s) may be affected by a number of factors. Often, the more specific the investment objective or strategy of these Notes, the more limited the trading market and the more volatile the price of such Notes. These factors include:

- (i) the complexity and volatility of the Underlying Asset(s) applicable to the Notes, including any dividend rates or yield of other securities or financial instruments applicable to the Notes;
- (ii) the method of calculating the principal, premium, if any, interest, and other amounts, if any, of the Notes;
- (iii) the time remaining to maturity of the Notes;
- (iv) the aggregate amount of outstanding Notes;
- (v) any redemption feature of the Notes;
- (vi) the level, direction, and volatility of market interest rates generally;
- (vii) the general economic conditions of the capital markets, as well as geopolitical conditions and other financial, political, regulatory, and judicial events that affect the financial markets generally, may affect the value of the Underlying Asset(s) and the Notes;
- (viii) the possibility that investors may be unable to hedge their exposure to risks relating to their Notes; and
- (ix) the possibility that a significant market disruption could mean that any index on which Index Linked Notes, Commodity Linked Notes, Inflation Linked Notes, Hybrid Notes, or Notes Linked to other Underlying Asset(s) are based ceases to exist.

Level or Price of the Underlying Asset(s). The price or level of the applicable index, share, commodity, currency, interest rate, or other Underlying Asset(s) will depend on a number of interrelated factors, including economic, financial, political, regulatory, and judicial events, over which neither the Issuer nor the Dealer(s) has any control. The historical experience of the applicable Underlying Asset(s) should not be taken as an indication of future performance of that item during the term of the Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, or Notes Linked to other Underlying Asset(s), as the case may be.

Limited Exposure to Underlying Asset(s). If the applicable Final Terms provide that the exposure of any Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, and Notes Linked to other Underlying Asset(s) is limited or capped to a certain level or amount, such Notes will not benefit from any upside in the value of any such Underlying Asset(s) beyond such limit or cap.

Calculation Agent's Discretion. The Calculation Agent (which will likely be an Affiliate of the Issuer) has very broad discretionary authority to make various determinations and adjustments under the Notes, any of which may have an adverse effect on the value and/or the amounts payable under the Notes.

The Calculation Agent has a broad discretion (i) to determine whether a Disrupted Day, Index Adjustment Event, Potential Adjustment Event, Extraordinary Event, Settlement Disruption Event, and/or any other events and/or matter so specified in the Terms and Conditions has occurred, (ii) to determine any resulting adjustments and calculations as described in the Terms and Conditions, and (iii) in respect of any other matters as may be specified in the applicable Final Terms relating to the Notes. Investors should be aware that any determination made by the Calculation Agent may have an impact on the value and financial return of the Notes. Any such discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest error) shall be binding on the Issuer and all Noteholders.

Potential Conflicts of Interest. Because the Calculation Agent may be an Affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and holders of any Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, and Notes Linked to other Underlying Asset(s), including with respect to certain determinations and judgments that the Calculation Agent must make.

Risks Relating to Physical Delivery Notes. In the case of Physical Delivery Notes, one or more Settlement Disruption Events could occur or exist on the applicable Delivery Date or other date of payment, causing settlement to be postponed. Under these circumstances, the Issuer may have the right to pay the Disruption Cash Redemption Amount or Disruption Cash Settlement Amount, as the case may be, instead of the Physical Delivery Amount. It is possible that the Disruption Cash Redemption Amount or Disruption Cash Settlement Amount, as the case may be, may be less than the value of the assets that an investor would have otherwise received.

Certain Business Activities. The Issuer and its Affiliates, including MLI, at present or in the future, may engage in business or other activities with companies that have issued securities, the levels of which may impact the returns on the Notes. These activities include making loans to, equity investments in, or providing investment banking, asset management, or other services to these companies, their Affiliates and their competitors. In connection with these activities, the Issuer or its Affiliates may receive information about these companies that will not be disclosed to investors or other third parties. One or more of the Issuer's Affiliates have published, and in the future may publish, research reports on one or more of these companies. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any of these activities may adversely affect the market value of the Notes.

Market Disruption Events. If an issue of Dual Currency Notes, Index Linked Notes, Share Linked Notes, Commodity Linked Notes, Hybrid Notes, or Notes Linked to any other Underlying Asset(s) includes provisions dealing with the occurrence of a Market Disruption Event on a Reference Date or any other relevant date and the Calculation Agent determines that a Market Disruption Event has occurred or exists on that date, any consequential postponement of such date or any alternative provisions for valuation provided in any such Notes may have an adverse effect on the value and liquidity of such Note. The timing of any such dates (as scheduled or as so postponed or adjusted) may affect the value of the relevant Notes such that the Noteholder may receive a lower cash redemption amount and/or interest amount or other payment under the relevant Notes than otherwise would have been the case. The occurrence of such a Market Disruption Event in relation to any Underlying Asset(s) comprising a basket may also have such an adverse effect on Notes related to such basket. In addition, any such consequential postponement may result in the postponement of the relevant Maturity Date and/or any other relevant payment date.

Unsecured Obligations. The obligations of the Issuer in respect of the Notes are not secured. Investors in the Notes do not have or receive any rights in respect of any shares, indices or other Underlying Asset(s), and may have no right to call for any Underlying Asset(s) to be delivered to them. The Issuer is not obliged by the terms of any Notes to hold any Underlying Asset(s).

Additional Risk Factors Relating to Index Linked Notes. The Calculation Agent will have significant discretion with respect to the Notes in the event that certain determinations need to be made. For example, in the case of Index Linked Notes, if an Index Level is due to be determined in respect of an Index on any Scheduled Trading Day which is a Disrupted Day in respect of such Index, which disruption continues on consecutive Scheduled Trading Days equal to the Maximum Days of Disruption, the Calculation Agent may calculate the Index Level of such Index using the Exchange traded or quoted price as of the relevant Valuation Time on the last consecutive Scheduled Trading Day of each Component comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of any relevant Component on that last consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on that last consecutive Scheduled Trading Day).

In addition, if any Index Sponsor ceases to publish an Index, the Calculation Agent may replace the Index with another index which it deems to be equivalent to the Index.

Additional Risk Factors Relating to Share Linked Notes. In the case of Share Linked Notes, following the determination by the Calculation Agent that a Potential Adjustment Event has occurred, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the terms of the Notes, including without limitation any variable or term relevant to the payment under the Notes, as the Calculation Agent, in its sole and absolute discretion, determines appropriate to account for that diluting or concentrative effect, and (ii) determine the effective date of that adjustment.

In addition, in the case of Share Linked Notes, if a Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency, occurs in relation to any Share, the Issuer, in its sole and absolute discretion, may:

- (i) require the Calculation Agent to determine, in its sole and absolute discretion, the appropriate adjustment, if any, to be made to any one or more of the terms of the Notes, including without limitation, any variable or term relevant to the payment under the Notes, as the Calculation Agent determines appropriate to account for the Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency, as the case may be, and determine the effective date

of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Share Linked Notes; and

- (ii) redeem part (in the case of Share Linked Notes relating to a basket of Shares) or all (in any other case) of the Notes. Following such redemption, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate (if any) on the relevant Notes being redeemed and may only be able to do so at a significantly lower rate.

Potential investors should consider reinvestment risk in light of other investments available at that time.

Share Linked Notes do not represent a claim against or an investment in any Share Issuer and Noteholders will not have any right of recourse under the Notes to any such Share Issuer. The Notes are not in any way sponsored, endorsed, or promoted by any Share Issuer and such companies have no obligation to take into account the consequences of their actions for any Noteholders.

In the case of Physical Delivery Notes, unless and until an investor receives shares of stock at maturity or upon an earlier redemption of the Share Linked Notes, that investor will not have any rights against the applicable Share Issuer, including the right to vote, or to receive dividends or other distributions, if any in respect of any Physical Delivery Amount, even though an investor may receive shares of the applicable Share Issuer at maturity or earlier redemption.

Additional Risk Factors Relating to Inflation Linked Notes. A relevant consumer price index or other formula linked to a measure of inflation to which the Notes are linked may be subject to significant fluctuations that may not correlate with other indices. Any movement in the level of the index may result in a reduction of the interest payable on the Notes in the case of Notes with a redemption amount linked to inflation, in a reduction of the amount payable on redemption which in some cases could be less than the amount originally invested.

The timing of changes in the relevant consumer price index or other formula linked to the measure of inflation comprising the relevant index or indices may affect the actual yield to investors on the Notes, even if the average level is consistent with their expectations.

An index to which interest payments on an Inflation Linked Interest Note and/or the redemption amount of an Inflation Linked Note are linked is only one measure of inflation for the relevant jurisdiction, and such index may not correlate perfectly with the rate of inflation experienced by Noteholders in such jurisdiction.

Interest payments and/or redemption amounts of Inflation Linked Notes may be based on a calculation made by reference to a consumer price index for a month which is several months prior to the date of payment on the Notes and therefore could be substantially different from the level of inflation at the time of the applicable payment on the Notes.

Additional Risk Factors Relating to Commodity Linked Notes. The prices of commodities may be volatile and, for example, may fluctuate substantially if natural disasters or catastrophes, such as hurricanes, fires, or earthquakes, affect the supply or production of such commodities. The prices of commodities may also fluctuate substantially if conflict or war affects the supply or production of such commodities. If any amount payable in respect of a Note is linked to the price of a commodity, any change in the price of such commodity may result in the reduction of the amount of such payment in respect of a Note. The reduction in the amount payable on the redemption of the Note may result, in some cases, in a Noteholder receiving a smaller sum on redemption of the Note than the amount originally invested in such Note.

Additional Risk Factors Relating to FX Linked Notes. An investment in FX Linked Notes entails significant risks in addition to those associated with investments in a conventional security. The foreign exchange rate(s) to which the Notes are linked (the “**Relevant Foreign Exchange Rate(s)**”) will affect the nature and value of the investment return on the Notes. Investors should form their own views on the merits of an investment related to the Relevant Foreign Exchange Rate(s) based upon their own such investigations of such Relevant Foreign Exchange Rate(s) and should not rely on any information given in the Final Terms. As noted above, given the highly specialized nature of these FX Linked Notes, the Issuer and the Dealer(s) consider that the Notes are only suitable for sophisticated investors who are able to determine for themselves the risks of an investment linked to the Relevant Foreign Exchange Rate(s), and who possess all other relevant knowledge and experience in financial and business matters.

FX Linked Notes may be linked to emerging market currencies and, as such, may experience greater volatility and less certainty as to its future levels or as against other currencies.

Other Risks

Possible Illiquidity of the Secondary Market. Whether or not the Notes are listed on any securities exchange, there can be no assurance that a trading market for the Notes ever will develop or be maintained if developed. Although the Dealers intend under ordinary market conditions to indicate prices for the Notes on request, the Issuer cannot assure investors that bids will be made in the future or predict the price at which such bids will be made.

Redemption. If the terms of any Notes permit or require redemption prior to maturity, that redemption may occur at times when prevailing interest rates are relatively low. As a result, a holder of the redeemed Notes may not be able to invest the proceeds from the redemption in a new investment that yields a similar return.

Credit Ratings. The Issuer’s credit ratings are an assessment of its ability to pay its obligations. Consequently, real or anticipated changes in its credit ratings may affect the trading value of the Notes. However, because the return on the Notes depends upon factors in addition to the Issuer’s ability to pay its obligations, an improvement in these credit ratings will not reduce the other investment risks related to the Notes. A credit rating is not a recommendation to buy, sell, or hold any of the Notes and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.

Holding Company. The Issuer is a holding company, and therefore is a separate and distinct legal entity from its banking and nonbanking subsidiaries. The Issuer therefore depends on dividends, distributions, and other payments from its banking and nonbanking subsidiaries to fund dividend payments on its capital stock and to fund all payments on its other obligations, including its debt obligations. Many of the Issuer’s subsidiaries are subject to laws that authorize regulatory bodies to block or reduce the flow of funds from those subsidiaries to the Issuer. Regulatory action of that kind could impede access to funds the Issuer needs to make payments on its obligations or dividend payments. In addition, because the Issuer is a holding company, its right to participate in a distribution of assets upon a subsidiary’s liquidation or reorganization is subject to the prior claims of the subsidiary’s creditors. Therefore, claims of holders of the Issuer’s securities generally will have a junior position to claims of creditors of the Issuer’s subsidiaries, including, in the case of the Issuer’s banking subsidiaries, their depositors.

USE OF PROCEEDS

The net proceeds from the sale of the Notes by the Issuer will be used for general corporate purposes, including, without limitation, the Issuer's working capital needs, the funding of investments in, or extensions of credit to, its subsidiaries, possible acquisitions of other financial institutions or their assets or liabilities, possible acquisitions of or investments in other businesses, possible reduction of outstanding indebtedness or repurchases of its outstanding equity securities, or otherwise in the ordinary course of the Issuer's business. From time to time, the Issuer may engage in additional capital financings of a character and in amounts that it will determine in light of its needs at such time or times and in light of prevailing market conditions. If the Issuer elects at the time of issuance of Notes to make different or more specific use of proceeds other than those set forth in this Offering Circular, the Issuer will describe that use in the applicable Final Terms.

BANK OF AMERICA CORPORATION

Bank of America Corporation is a Delaware corporation, a bank holding company, and a financial holding company. The Issuer was incorporated in 1998 (for an unlimited duration) as a part of the merger of BankAmerica Corporation with NationsBank Corporation. The Issuer's Delaware registration number is 2927442. The Issuer operates under the General Corporation Law of the State of Delaware, Title 8 of the Delaware Code 1953, sections 101 through 398, known as the "Delaware General Corporation Law". The Issuer's headquarters and principal place of business are located at 100 North Tryon Street, Charlotte, North Carolina 28255, United States of America, telephone number (704) 386-5681. The Issuer's objects and purposes are to engage in any lawful act or activity for which corporations may be organized and incorporated in the General Corporation Law of the State of Delaware, as specified in paragraph 2 of the Issuer's amended and restated certificate of incorporation.

Business Segment Operations

The Issuer provides a diversified range of banking and non-banking financial services and products in all 50 states, the District of Columbia, and more than 40 foreign countries. The Issuer provides these services and products through six business segments: (1) Deposits, (2) Global Card Services, (3) Home Loans & Insurance, (4) Global Banking, (5) Global Markets, and (6) Global Wealth & Investment Management.

Acquisitions and Sales

As part of its operations, the Issuer regularly evaluates the potential acquisition of, and holds discussions with, various financial institutions and other businesses of a type eligible for financial holding company ownership or control. In addition, the Issuer regularly analyzes the values of, and submits bids for, the acquisition of customer-based funds and other liabilities and assets of such financial institutions and other businesses. The Issuer also regularly considers the potential disposition of certain of its assets, branches, subsidiaries, or lines of businesses. As a general rule, the Issuer publicly announces any material acquisitions or dispositions when a definitive agreement has been reached.

Board of Directors

The Directors of the Issuer are:

Director	Function
Walter E. Massey	Chairman, Non employee director
William Barnet III.....	Non employee director
Susan S. Bies.....	Non employee director
William P. Boardman	Non employee director
Frank P. Bramble, Sr.	Non employee director
Virgis W. Colbert.....	Non employee director
John T. Collins	Non employee director
Gary L. Countryman	Non employee director
Charles K. Gifford	Non employee director
D. Paul Jones.....	Non employee director
Kenneth D. Lewis	President, Chief Executive Officer, and employee director of the Issuer
Monica C. Lozano	Non employee director
Thomas J. May	Non employee director
Donald E. Powell	Non employee director

Director	Function
Charles O. Rossotti	Non employee director
Thomas M. Ryan	Non employee director

The business address of each Director is 100 North Tryon Street, Charlotte, North Carolina, 28255, United States of America.

For the purposes of the Prospectus Directive, no potential conflicts of interest exist between the duties to the Issuer of the members of the Board of Directors, as listed above, and their private interests and/or other duties.

Subsidiaries

The Issuer acts as the holding company of over 1,500 subsidiary undertakings worldwide which are all operative within the financial services sector. Details of the Issuer's principal subsidiaries, each of which is wholly owned, directly or indirectly, by the Issuer, are set out below:

Name	Address	Principal Activity
Bank of America, N.A.	101 North Tryon Street, Charlotte, North Carolina 28255	Commercial and consumer banking
Banc of America Securities LLC	101 North Tryon Street, Charlotte, North Carolina 28255	Brokerage and dealing in debt and equity securities, as well as loan syndications
FIA Card Services, N.A.	100 North King Street, Wilmington, Delaware 19884	Consumer credit
Merrill Lynch & Co., Inc.	4 World Financial Center New York, NY 10080	Investment banking, capital markets, advisory and wealth management

Trend Information

The Issuer notes that, as described in the Management's Discussion and Analysis of Financial Condition and Results of Operations sections, commencing on page 2 of Exhibit 99.1 to the May 28, 2009, Form 8-K Report and page 78 of the First Quarter Form 10-Q Quarterly Report, there has been dislocation in the financial markets and a deteriorating economic environment that has impacted banking companies generally.

Board Practices

Audit Committee

The Issuer's Audit Committee, which currently consists of four independent members of the Issuer's Board of Directors, provides direct oversight of the corporate audit function and the independent registered public accounting firm of the Issuer.

The members of the Audit Committee are Thomas J. May (Chair), William Barnet III, John T. Collins and Donald E. Powell.

Corporate Governance

The Issuer has complied in all material respects with the corporate governance regime of the State of Delaware and all applicable provisions of Delaware General Corporation Law.

REGULATORY MATTERS

The following discussion describes elements of an extensive regulatory framework applicable to bank holding companies, financial holding companies, and banks and specific information about the Issuer and its subsidiaries. Federal regulation of banks, bank holding companies, and financial holding companies is intended primarily for the protection of depositors and the deposit insurance fund rather than for the protection of stockholders and creditors.

1. General

As a registered bank holding company and financial holding company, the Issuer is subject to the supervision of, and regular inspection by, the Board of Governors of the Federal Reserve System (the “**Federal Reserve Board**”). The Issuer’s banking subsidiaries are organized as national banking associations, which are subject to regulation, supervision, and examination by the Office of the Comptroller of the Currency (the “**Comptroller**”), the Federal Deposit Insurance Corporation (the “**FDIC**”), the Federal Reserve Board, other federal and state regulatory agencies, and with respect to the Issuer’s banking subsidiaries’ operations in the United Kingdom, the Financial Services Authority. The Issuer also controls a federal thrift that is subject to examination and supervision of the Office of Thrift Supervision. In addition to banking laws, regulations, and regulatory agencies, the Issuer and its subsidiaries and affiliates are subject to the laws and regulations of both the federal government and the states and counties in which they conduct business and supervision and examination by the SEC, the New York Stock Exchange (the “**NYSE**”), the Financial Industry Regulatory Authority (the “**FINRA**”), and other regulatory agencies, all of which directly or indirectly affect the operations and management of the Issuer and its ability to make distributions to stockholders and any payments to holders of Notes.

A financial holding company, and the non-bank companies under its control, are permitted to engage in activities considered “financial in nature” as defined by the Gramm-Leach-Bliley Act of 1999 and Federal Reserve Board interpretations (including, without limitation, insurance and securities activities) and therefore may engage in a broader range of activities than permitted for bank holding companies and their subsidiaries. A financial holding company may engage directly or indirectly in activities considered financial in nature, either de novo or by acquisition, provided the financial holding company gives the Federal Reserve Board after-the-fact notice of the new activities. The Gramm-Leach-Bliley Act also permits national banks, such as the Issuer’s banking subsidiaries, to engage in activities considered financial in nature through a financial subsidiary, subject to certain conditions and limitations, and with the approval of the Comptroller.

2. Interstate Banking

Bank holding companies (including bank holding companies that also are financial holding companies) also are required to obtain the prior approval of the Federal Reserve Board before acquiring more than 5.00 per cent. of any class of voting stock of any bank which is not already majority-owned by the bank holding company. Pursuant to the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, a bank holding company may acquire banks in states other than its home state without regard to the permissibility of such acquisitions under state law, but subject to any state requirement that the bank has been organized and operating for a minimum period of time, not to exceed five years, and the requirement that the bank holding company, as a result of the proposed acquisition, controls no more than 10.00 per cent. of the total amount of deposits of insured depository institutions in the United States and no more than 30.00 per cent. or such lesser or greater amount set by state law of such deposits in that state.

Subject to certain restrictions, the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 also authorizes banks to merge across state lines to create interstate banks. This act also permits a bank to open new branches in a state in which it does not already have banking operations if such state enacts a law permitting de novo branching.

3. Changes in Regulations

Proposals to change the laws and regulations governing the banking industry are frequently introduced in Congress, in the state legislatures and before the various bank regulatory agencies. For example, the U.S. Treasury, the FDIC, and the Federal Reserve Board have developed programs and facilities, including, among others, the U.S. Treasury's Troubled Asset Relief Program ("TARP") and the Capital Purchase Program, which are designed to support the banking and financial services industries. In addition, Congress and the U.S. government have continued to evaluate and develop legislation, programs, and initiatives designed to stabilize the financial and housing markets and stimulate the economy, including the American Recovery and Investment Act 2009 ("ARRA"), which increases government spending and provides tax cuts designed to stimulate the economy, the U.S. Treasury's recently announced Financial Stability Plan and the U.S. government's recently announced foreclosure prevention program. The final form of any such programs or initiatives or related legislation, the likelihood and timing of any other future proposals or legislation, and the impact they might have on the Issuer and its subsidiaries cannot be determined at this time.

4. Capital and Operational Requirements

The Federal Reserve Board, the Comptroller and the FDIC have issued regulatory capital guidelines for United States banking organizations. Failure to meet the capital requirements can initiate certain mandatory and discretionary actions by regulators that could have a material effect on the Issuer's financial statements. At March 31, 2009, the Issuer was classified as well-capitalized under this regulatory framework.

The regulatory capital guidelines measure capital in relation to the credit and market risks of both on and off balance sheet items using various risk weights. Under the regulatory capital guidelines, total capital consists of three tiers of capital. Tier 1 capital includes common stockholders' equity, trust preferred securities, minority interests, and qualifying preferred stock, less goodwill and other adjustments. Tier 2 capital consists of preferred stock not qualifying as Tier 1 capital, mandatory convertible debt, limited amounts of subordinated debt, other qualifying term debt, the allowance for credit losses up to 1.25 per cent. of risk-weighted assets, and other adjustments. Tier 3 capital includes subordinated debt that is unsecured, fully paid, has an original maturity of at least two years, is not redeemable before maturity without prior approval by the Federal Reserve Board, and includes a lock-in clause precluding payment of either interest or principal if the payment would cause the issuing bank's risk-based capital ratio to fall or remain below the required minimum. Tier 3 capital can only be used to satisfy the Issuer's market risk capital requirement and may not be used to support the Issuer's credit risk requirement. At March 31, 2009, the Issuer had no subordinated debt that qualified as Tier 3 capital.

The Issuer is required by the Federal Reserve Board to maintain certain levels of capital for bank regulatory purposes. On March 1, 2005, the Federal Reserve Board adopted amendments to its risk-based capital guidelines. Among other things, the amendments confirm the continuing inclusion of outstanding and future issuances of "qualifying trust preferred securities" in the Tier 1 capital of bank holding companies. However, the amendments make the quantitative limits applicable to the aggregate amount of trust preferred securities and other restricted core capital elements that may be included in Tier 1 capital of bank holding companies more restrictive. The stricter quantitative limits within Tier 1 capital do not become effective until March 31, 2011.

To meet minimum, adequately capitalized regulatory requirements, an institution must maintain a Tier 1 capital ratio of 4.00 per cent. and a total capital ratio of 8.00 per cent. A well-capitalized institution must generally maintain capital ratios 100 to 200 basis points higher than the minimum guidelines. The risk-based capital rules have been further supplemented by a leverage ratio, defined as Tier 1 capital divided by quarterly average total assets, after certain adjustments. Banking organizations must maintain a leverage capital ratio of at least 3.00 per cent. and are not subject to a Federal Reserve Board directive to maintain higher capital levels in order to be classified as well-capitalized. As of March 31, 2009, the Issuer was classified as “well-capitalized” for regulatory purposes, the highest classification. As of March 31, 2009, the Issuer’s Tier 1 capital, total risk-based capital, and Tier 1 leverage ratio under these guidelines were 10.09 per cent., 14.03 per cent., and 7.07 per cent. respectively.

Net unrealized gains (losses) on available-for-sale debt securities, net unrealized gains on marketable equity securities, net unrealized gains (losses) on derivatives, and unamortized net periodic benefit costs included in stockholders’ equity at September 30, 2007 are excluded from the calculations of Tier 1 capital, total capital, and Tier 1 leverage ratios.

The Federal Deposit Insurance Corporation Improvement Act of 1991 (“**FDICIA**”), among other things, identifies five capital categories for insured depository institutions (well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized) and requires the respective federal regulatory agencies to implement systems for “prompt corrective action” for insured depository institutions that do not meet minimum capital requirements within such categories. FDICIA imposes progressively more restrictive constraints on operations, management, and capital distributions, depending on the category in which an institution is classified. Failure to meet the capital guidelines could also subject a banking institution to capital raising requirements. An “undercapitalized” bank must develop a capital restoration plan and its parent holding company must guarantee that bank’s compliance with the plan. The liability of the parent holding company under any such guarantee is limited to the lesser of (1) 5.00 per cent. of the bank’s total assets at the time it became “undercapitalized” and (2) the amount needed to comply with the plan. Furthermore, in the event of the bankruptcy of the parent holding company, such guarantee would take priority over the parent’s general unsecured creditors. In addition, FDICIA requires the various regulatory agencies to prescribe certain non-capital standards for safety and soundness relating generally to operations and management, asset quality and executive compensation and permits regulatory action against a financial institution that does not meet such standards.

The various regulatory agencies have adopted substantially similar regulations that define the five capital categories identified by FDICIA, using the total risk-based capital, Tier 1 risk-based capital, and leverage ratios as the relevant capital measures. Such regulations establish various degrees of corrective action to be taken when an institution is considered undercapitalized. Under the regulations, a “well capitalized” institution must have (1) a Tier 1 risk-based capital ratio of at least 6.00 per cent., (2) a total risk-based capital ratio of at least 10.00 per cent., (3) a Tier 1 leverage ratio of at least 5.00 per cent., and (4) not be subject to a capital directive order. Under these guidelines, each of the Issuer’s banking subsidiaries was considered well capitalized as of March 31, 2009. In order for the Issuer to continue to qualify as a financial holding company, each banking subsidiary of the Issuer must remain well capitalized.

Regulators also must take into consideration (1) concentrations of credit risk, (2) interest rate risk (when the interest rate sensitivity of an institution’s assets does not match the sensitivity of its liabilities or its off balance-sheet position), and (3) risks from non-traditional activities, as well as an institution’s ability to manage those risks, when determining the adequacy of an institution’s capital. This evaluation will be made as a part of the institution’s regular safety and soundness examination. In addition, the Issuer and any of the Issuer’s banking subsidiaries with significant trading activity must incorporate a measure for market risk in the Issuer’s regulatory capital calculations.

5. Distributions

The Issuer's funds for payment of the Issuer's indebtedness, including debt securities, are derived from a variety of sources, including cash and temporary investments. The primary source of such funds, and funds used to pay principal and interest on its indebtedness, is dividends received from its banking subsidiaries. Each of its banking subsidiaries is subject to various regulatory policies and requirements relating to the payment of dividends, including requirements to maintain capital above regulatory minimums. The appropriate federal regulatory authority is authorized to determine under certain circumstances relating to the financial condition of a bank or bank holding company that the payment of dividends would be an unsafe or unsound practice and to prohibit payment thereof.

As a result of the Issuer's issuance of preferred stock to the U.S. Treasury pursuant to the TARP Capital Purchase Program, dividend payments on, and repurchases of the Issuer's outstanding preferred and common stock are subject to certain restrictions. For more information on these restrictions, see Note 14, Shareholders' Equity and Earnings Per Common Share on page 49 of Exhibit 99.2 to the Issuer's May 28, 2009, Form 8-K Report.

In addition, the ability of the Issuer and its banking subsidiaries to pay dividends may be affected by the various minimum capital requirements and the capital and non-capital standards established under FDICIA, as described above. The right of the Issuer, its stockholders, and its creditors to participate in any distribution of the assets or earnings of its subsidiaries is further subject to the prior claims of creditors of the respective subsidiaries.

6. Source of Strength

According to Federal Reserve Board policy, bank holding companies are expected to act as a source of financial strength to each subsidiary bank and to commit resources to support each such subsidiary. This support may be required at times when a bank holding company may not be able to provide such support. Similarly, under the cross-guarantee provisions of the Federal Deposit Insurance Act, in the event of a loss suffered or anticipated by the FDIC, either as a result of default of a banking subsidiary or related to the FDIC assistance provided to a subsidiary in danger of default, the other banking subsidiaries of a bank holding company may be assessed for the FDIC's loss, subject to certain exceptions.

SELECTED FINANCIAL DATA

The following table contains the Issuer's selected financial data (1) as of December 31, 2008 and 2007, and for each of the years in the three years ended December 31, 2008, derived from the Issuer's audited financial statements and (2) as of and for the three months ended March 31, 2009 and 2008, derived from the Issuer's unaudited financial statements, which were prepared in conformity with accounting principles generally accepted in the United States. The Issuer's unaudited financial statements include all adjustments, consisting only of normal recurring accruals, that the Issuer considers necessary for a fair statement of its financial position and its results of operations as of such dates and for such periods. Results for the three months ended March 31, 2009 are not necessarily indicative of the results that might be expected for any other interim period or for the year as a whole. Certain prior period amounts have been reclassified to conform to current period classifications.

	Three months ended March 31		Year ended December 31		
	2009	2008	2008	2007	2006
(Unaudited)					
(Dollars in millions, except per share information)					
Income statement:					
Interest income	\$ 22,156	\$ 21,859	\$ 85,684	\$ 87,304	\$78,585
Interest expense	9,659	11,868	40,324	52,863	43,991
Net interest income	12,497	9,991	45,360	34,441	34,594
Noninterest income	23,261	7,080	27,422	32,392	38,182
Total revenue net of interest expense	35,758	17,071	72,782	66,833	72,776
Provision for credit losses	13,380	6,010	26,825	8,385	5,010
Noninterest expense.....	17,002	9,263	41,529	37,524	35,793
Income before income taxes	5,376	1,798	4,428	20,924	31,973
Income tax expense	1,129	588	420	5,942	10,840
Net income	4,247	1,210	4,008	14,982	21,133
Net income available to common stockholders	2,814	1,020	2,556	14,800	21,111
Average common shares issued and outstanding (in thousands).....	6,370,815	4,427,823	4,592,085	4,423,579	4,526,637
Average diluted common shares issued and outstanding (in thousands).....	6,431,027	4,461,201	4,596,417	4,480,254	4,595,896
Per common share information:					
Earnings	\$ 0.44	\$ 0.23	\$ 0.54	\$ 3.35	\$4.66
Diluted earnings.....	0.44	0.23	0.54	3.30	4.59
Dividends paid	0.01	0.64	2.24	2.40	2.12

	March 31		December 31	
	2009	2008	2008	2007
	(Unaudited)			
	(Dollars in millions)			
Balance sheet (period-end):				
Total loans and leases	\$ 977,008	\$ 873,870	\$ 931,446	\$ 876,344
Total assets	2,321,963	1,736,502	1,817,943	1,715,746
Total deposits.....	953,508	797,069	882,997	805,177
Long-term debt	440,751	202,800	268,292	197,508
Total stockholders' equity	239,549	156,309	177,052	146,803
Allowance for loan and lease losses as a percentage of loans and leases outstanding measured at historical cost	3.00%	1.71%	2.49%	1.33%
Total equity to total assets.....	10.32	9.00	9.74	8.56
Capital ratios (period-end):				
Risk-based capital				
Tier 1	10.09	7.51	9.15	6.87
Total.....	14.03	11.71	13.00	11.02
Tier 1 Leverage	7.07	5.59	6.44	5.04

RATIOS OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table presents the unaudited consolidated ratios of earnings to fixed charges and preferred stock dividends for the Issuer for each of the years in the five years ended December 31, 2008 and for the three months ended March 31, 2009.

	Three months ended March 31	Year Ended December 31				
	2009	2008	2007	2006	2005	2004
Ratio of earnings to fixed charges and preferred stock dividends:						
Excluding interest on deposits:	1.4	1.1	1.6	2.1	2.3	3.2
Including interest on deposits:	1.3	1.1	1.4	1.7	1.9	2.3

FORM OF THE NOTES

Each Note will be evidenced by, in the case of Notes issued in bearer form, a Bearer Temporary Global Note, a Bearer Permanent Global Note, a Bearer Definitive Note, or, in the case of Notes issued in registered form, a Registered Global Certificate or a Registered Definitive Certificate, as the case may be, together with the attached or incorporated Terms and Conditions of the Notes and the applicable Final Terms.

Bearer Notes

Unless otherwise agreed by the Issuer and the relevant Dealers, each Tranche of Notes in bearer form will initially be represented by one or more Bearer Temporary Global Notes without receipts, interest coupons, or talons. The Bearer Temporary Global Note, which will be delivered on or prior to the issue date of the relevant Tranche of Notes to (1) the Common Safekeeper (if the Bearer Temporary Global Note is intended to be issued in NGN form, as stated in the applicable Final Terms) for the Relevant Clearing Systems or (2) the Common Depository (if the Bearer Temporary Global Note is intended to be issued in CGN form) for the Relevant Clearing Systems. While any Note is represented by a Bearer Temporary Global Note, payments of principal, premium, if any, interest, or any other amounts, due prior to the date determined in accordance with the Agency Agreement (as defined herein) (the “**Exchange Date**”) which generally is 40 calendar days after a Bearer Temporary Global Note is issued, will be made (against presentation of the Bearer Temporary Global Note if the Bearer Temporary Global Note is issued in CGN form) only if a tax certification has been received. The tax certification, in a form to be provided, will state that the beneficial owners of such Note are not United States persons or persons who have purchased for resale to any United States person (as required by U.S. Treasury Regulations) and must be received by a Relevant Clearing System. In turn, such Relevant Clearing System must give to the Principal Agent a like certificate based on the certifications it has received.

The NGN form has been introduced to allow for the possibility of Bearer Notes to be issued and held in a manner which will permit them to be recognized as eligible collateral for monetary policy of the central banking system for the euro (the “**Eurosystem**”) and intra-day credit operations by the Eurosystem either upon their issue or at any other time prior to the applicable Maturity Date. However, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

If any Bearer Global Note (which term includes both Bearer Temporary Global Notes and Bearer Permanent Global Notes) is issued in CGN form, upon the initial deposit of a Bearer Global Note with the Common Depository, the Relevant Clearing Systems will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If any Bearer Global Note is issued in NGN form, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of the Relevant Clearing Systems. The records of the Relevant Clearing System shall be conclusive evidence of the nominal amount of Notes represented by a Bearer Global Note issued in NGN form and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the Relevant Clearing System at that time.

On and after the Exchange Date, interests in the Bearer Temporary Global Note will be exchangeable (free of charge to the Noteholder) upon a request either for interests in a Bearer Permanent Global Note, without receipts, interest coupons, or talons or, under the circumstances described in the Terms and Conditions, for Bearer Definitive Notes (as indicated in the applicable Final Terms and subject, in the case of Bearer Definitive Notes, to such notice period as is specified in the Terms and Conditions or the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification previously has been given. The holder of a Bearer Temporary Global Note will

not be entitled to collect any payment of interest, principal, premium, if any, or any other amounts due on or after the Exchange Date.

The following legend will appear on all Bearer Global Notes, Bearer Definitive Notes, receipts, talons, and coupons:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts, or coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, or payment of principal in respect of Notes, receipts, or coupons.

The following legend will appear on all Bearer Global Notes, Bearer Definitive Notes, receipts, and coupons that have a maturity (at issue) of 183 days or less and a face amount or principal amount of not less than U.S. \$500,000 (as determined based on the spot rate on the date of issuance if in a currency other than U.S. Dollars):

“By accepting this obligation, the holder represents and warrants that it is not a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder) and that it is not acting for or on behalf of a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder).”

This legend essentially certifies that the holder is not subject to United States information reporting requirements.

Unless otherwise stated in the applicable Final Terms, payments of principal, premium, if any, interest, or any other amounts on a Bearer Permanent Global Note will be made through the Relevant Clearing Systems outside the United States and its possessions against presentation or surrender (as the case may be) of the Bearer Permanent Global Note (if the Bearer Permanent Global Note is issued in CGN form) without any requirement for certification. All payments and deliveries on the Notes in bearer form will be made outside the United States and its possessions. A Bearer Permanent Global Note will be exchangeable (free of charge to the Noteholder), in whole, but not in part, under the circumstances described under “Terms and Conditions of the Notes” for security-printed Bearer Definitive Notes with, where applicable, receipts, interest coupons, and talons attached, upon not less than 60 calendar days’ written notice to the Principal Agent. Bearer Global Notes and Bearer Definitive Notes will be issued pursuant to the Agency Agreement. Interests in any such Bearer Definitive Notes may continue to be held through the Relevant Clearing Systems.

Registered Notes

Unless otherwise agreed to by the Issuer and the relevant Dealers, each Tranche of Notes in registered form will initially be represented by a Registered Global Certificate or by a Registered Definitive Certificate, one Registered Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. The Registered Global Certificate will be delivered on or prior to the issue date of the relevant Tranche of Notes to the Common Depositary for the Relevant Clearing Systems. Beneficial interests in a Registered Global Note will be exchangeable for Registered Definitive Notes only in the limited circumstances described under “Terms and Conditions of the Notes”.

General

Pursuant to the Agency Agreement, in relation to Bearer Notes, the Principal Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a common code (“**Common Code**”) and International Security Identification Number (“**ISIN**”) by the Relevant Clearing Systems different from the Common Code and ISIN assigned to Notes of any other Tranche of the same Series for at least 40 calendar days after the completion of the distribution of the Notes of such Tranche, as notified by the Principal Agent to the relevant Dealers. Until exchanged in full, the holder of an interest in any Bearer Global Note or Registered Global Note shall be entitled to all of the same benefits as the holder of Notes, receipts, interest coupons, and talons, except as set out in the applicable Terms and Conditions.

TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will include the additional terms and conditions contained in Annex 1 in the case of Index Linked Notes (the “**Index Linked Conditions**”), the additional terms and conditions contained in Annex 2 in the case of Share Linked Notes (the “**Share Linked Conditions**”), the additional terms and conditions contained in Annex 3 in the case of Inflation Linked Notes (the “**Inflation Linked Conditions**”), the additional terms and conditions contained in Annex 4 in the case of Commodity Linked Notes (the “**Commodity Linked Conditions**”), and the additional terms and conditions contained in Annex 5 in the case of FX Linked Notes (the “**FX Linked Conditions**”), or any other Annex (each, an “**Annex**”, and together the “**Annexes**”) which may be added from time to time in the case of any Notes linked to any other Underlying Asset(s) (the Terms and Conditions of the Notes as supplemented or amended by the Index Linked Conditions, Share Linked Conditions, Inflation Linked Conditions, Commodity Linked Conditions, and/or FX Linked Conditions are together referred to as the “**Terms and Conditions**” or the “**Conditions**” and each, a “**Condition**”). The Terms and Conditions are incorporated by reference into each Global Note (as defined below) and will be attached to or endorsed upon each Definitive Note (as defined below), if any are issued. The applicable Final Terms in relation to any Tranche of Notes (as defined below) may specify other terms and conditions, which shall to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each Global Note and Definitive Note. Reference should be made to “**Form of the Notes**” above for a description of the content of Final Terms, which includes the definition of certain terms used in the following Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes contains additional terms and conditions which will complete the Notes and is deemed to be incorporated by reference into such Notes.*

This Note is one of a series of Notes issued by Bank of America Corporation (the “**Issuer**”), pursuant to the Agency Agreement dated as of July 22, 2009, by and between the Issuer and Bank of America, N.A., London Branch (as amended or supplemented from time to time, the “**Agency Agreement**”), as principal agent (the “**Principal Agent**”) and Merrill Lynch International Bank Limited as registrar (the “**Registrar**”) and transfer agent (the “**Transfer Agent**”), which terms shall include any successor agents. Any other paying agents named pursuant to the Agency Agreement shall be referred to herein, together with the Principal Agent, as the “**Paying Agents**” (which term shall include any additional or successor paying agents) and any other transfer agents named pursuant to the Agency Agreement shall be referred to herein, together with the Transfer Agent, as the “**Transfer Agents**” (which term shall include any additional or successor transfer agents). References herein to the “Notes” shall be references to Notes of this Series (as defined below) and shall mean (1) in relation to any Notes represented by a Bearer Global Note or a Registered Global Certificate, units of the lowest denomination of such Notes (the “**Specified Denomination**”) payable in one or more currencies (each, a “**Specified Currency**”), (2) Definitive Notes, if any, issued in exchange for a Global Note, and (3) any Global Note. The Notes, the Receipts (as defined below), and the Coupons (as defined below) have the benefit of the Agency Agreement. Each Note will be the obligation of the Issuer only and will not be an obligation of, or guaranteed by, any subsidiaries or affiliates of the Issuer.

Unless otherwise agreed by the Issuer and the relevant dealers (each, a “**Dealer**” and together, the “**Dealers**”), and specified in the applicable Final Terms, each tranche of Notes (“**Tranche of Notes**”) in bearer form will initially be represented by a temporary global note in bearer form (each, a “**Bearer Temporary Global Note**”) exchangeable as provided in such Note and the Agency Agreement for beneficial interests in a permanent global note in bearer form (each, a “**Bearer Permanent Global Note**”) without interest coupons, substantially in the forms of Schedule 1 and Schedule 2 to the Agency Agreement, respectively. The Bearer Temporary Global Note and the Bearer Permanent Global Note are together referred to as the “**Bearer Global Notes**” and each, a “**Bearer Global Note**”.

Unless otherwise agreed by the Issuer and the relevant Dealers, and specified in the applicable Final Terms, each Tranche of Notes in registered form will initially be represented by a registered certificate in global form (a “**Registered Global Certificate**”) or by a registered certificate in definitive form (a “**Registered Definitive Certificate**”) substantially in the forms of Schedule 4 and Schedule 5 to the Agency Agreement, respectively, one Registered Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series (as defined herein). Each Note represented by a Registered Global Certificate is referred to as a “**Registered Global Note**” and each Note represented by a Registered Definitive Certificate is referred to as a “**Registered Definitive Note**”. Bearer Global Notes and Registered Global Notes are together referred to as the “**Global Notes**” and each, a “**Global Note**”. Bearer Definitive Notes (as defined below) and Registered Definitive Notes are together referred to as the “**Definitive Notes**” and each, a “**Definitive Note**”. Registered Global Certificates and Registered Definitive Certificates are together referred to as the “**Registered Certificates**” and each, a “**Registered Certificate**”.

Interests in a Bearer Permanent Global Note may be exchanged, free of charge to Noteholders, for definitive notes in bearer form in the Specified Denominations indicated in the applicable Final Terms (“**Bearer Definitive Notes**”) with interest coupons attached (the “**Coupons**”) substantially in the form of Schedule 3 to the Agency Agreement, and, if indicated in the applicable Final Terms, talons for further Coupons (“**Talons**”) attached substantially in the form of Schedule 3 to the Agency Agreement on issue only as described below. Any reference herein to Coupons or coupons, unless the context otherwise requires, shall be deemed to include a reference to Talons or talons. Bearer Definitive Notes repayable in installments have receipts (“**Receipts**”) for the payment of the installments of principal (other than the final installment) attached on issue. Any reference herein to “**Noteholders**” shall mean the holders of the Notes, and, in relation to any Notes represented by a Global Note, shall be construed as provided below. Any reference herein to “**Receiptholders**” shall mean the holders of the Receipts and any reference herein to “**Couponholders**” shall mean the holders of the Coupons, and, unless the context otherwise requires, shall include the holders of the Talons.

Except as otherwise provided in the applicable Final Terms, interests in a Bearer Temporary Global Note or a Bearer Permanent Global Note will be exchangeable as provided in such Note and the Agency Agreement for Bearer Definitive Notes (1) as to Bearer Permanent Global Notes, on not less than 60 calendar days’ written notice from Euroclear Bank S.A./N.V. (“**Euroclear**”) and/or Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) or any other clearing system located outside the United States and its possessions, specified by the Issuer and the Dealers (each, an “**Alternative Clearing System**” and each of Euroclear, Clearstream, Luxembourg and any Alternative Clearing System being a “**Relevant Clearing System**”) (acting on the instructions of any holder of an interest in the Bearer Permanent Global Note), (2) if an Event of Default (as defined herein) occurs and is continuing, (3) if the Issuer is notified that a Relevant Clearing System has been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory, or otherwise) after the original issuance of the Notes or has announced an intention permanently to cease business or has in fact done so and no alternative clearance system approved by the Noteholders is available, or (4) if the Issuer, after notice to the Principal Agent, determines to issue the Bearer Notes in definitive form. Any exchange of all or a part of an interest in a Bearer Temporary Global Note or a Bearer Permanent Global Note for Bearer Definitive Notes shall be made only outside the United States and its possessions. Except as otherwise provided in the applicable Final Terms, interests in a Registered Global Note will be exchangeable for Registered Definitive Notes (1) if an Event of Default (as defined herein) occurs and is continuing, (2) if the Issuer is notified that a Relevant Clearing System has been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory, or otherwise) after the original issuance of the Notes or has announced an intention permanently to cease business or has in fact done so and no alternative clearance system approved by the Noteholders is available, or (3) if the Issuer after notice to the Principal Agent, determines to issue the Registered Notes in definitive form. Each such exchange shall occur in whole, but not in part, for Bearer Definitive Notes or Registered Definitive Notes, as applicable,

in the applicable Specified Denomination, representing the full principal amount of the applicable Global Note.

The Final Terms for the Notes are attached hereto or endorsed hereon and supplement these Terms and Conditions and may specify other terms and conditions which, to the extent so specified or to the extent inconsistent with these Terms and Conditions, shall replace or modify these Terms and Conditions for purposes of the Notes. References herein to the “**applicable Final Terms**” are to the relevant Final Terms attached hereto or endorsed hereon.

As used herein, “**Series**” means a Tranche of Notes, together with any further Tranche or Tranches of Notes, which are (1) expressly to be consolidated and form a single series and (2) identical in all respects (including as to listing) except for the date on which such Notes will be issued (the “**Issue Date**”), for interest-bearing Notes, the date from which such Notes bear interest (the “**Interest Commencement Date**”), which will be the Issue Date unless otherwise specified in the applicable Final Terms, and the price (expressed as a percentage of the principal amount of the Notes) at which such Notes will be issued (the “**Issue Price**”). The expressions “**Notes of the relevant Series**” and “**holders of Notes of the relevant Series**” and related expressions shall be construed accordingly. As used herein, “**Tranche**” means Notes (whether in bearer global form, registered global form, bearer definitive form, or registered definitive form) which are identical in all respects (including as to listing).

Copies of the Amended and Restated Program Agreement, dated as of July 25, 2008 among the Issuer and the Dealers named or to be appointed thereunder (as amended or supplemented from time to time, the “**Program Agreement**”), and the Final Terms applicable to the Notes are available for inspection without charge at, and copies may be obtained from, the specified offices of each of the Principal Agent and each Paying Agent, the Registrar and each Transfer Agent, except that the applicable Final Terms relating to an unlisted Note only will be available for inspection by a Noteholder upon proof satisfactory to the relevant Paying Agent as to ownership of the Note. The Noteholders, the Receiptholders, and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms, which are binding on them.

The applicable Final Terms will specify whether settlement shall be by way of cash payment (“**Cash Settlement**”) or by physical delivery (“**Physical Settlement**”). Notes to which Cash Settlement applies are “**Cash Settled Notes**” and Notes to which Physical Settlement applies are “**Physical Delivery Notes**”. Any reference in these Conditions to Physical Delivery Notes shall mean Notes in respect of which a number of underlying shares, bonds, securities, commodities, or such other assets as may be specified in the applicable Final Terms (the “**Relevant Asset(s)**”) plus/minus any amount due to/from the Noteholder in respect of each Note (the “**Physical Delivery Amount**”) is deliverable and/or payable by reference to one or more Relevant Assets as the Issuer and the relevant Dealer(s) may agree and as set out in the applicable Final Terms. In respect of Physical Delivery Notes, the Issuer will enter into one or more delivery agency agreements (each, a “**Delivery Agency Agreement**”) with one or more delivery agents (each, a “**Delivery Agent**”). The calculation agent in respect of the Notes (the “**Calculation Agent**”) and the Delivery Agent in respect of the Notes (if applicable) will be specified in the applicable Final Terms.

If Averaging is specified as applicable in the applicable Final Terms, the applicable Final Terms will state the relevant Averaging Dates and, if an Averaging Date is a Disrupted Day, whether Omission, Postponement, or Modified Postponement (each as defined in the relevant Annex) applies.

References in these Conditions, unless the context otherwise requires, to Cash Settled Notes shall be deemed to include references to Physical Delivery Notes which include the Issuer’s option (as set out in the applicable Final Terms) to elect cash settlement upon redemption of such Notes pursuant to Condition 5(h)(B) and where settlement upon redemption is to be by way of cash payment. References in these Conditions, unless the context otherwise requires, to Physical Delivery Notes shall be deemed to include

references to Cash Settled Notes which include the Issuer's option (as set out in the applicable Final Terms) to elect physical delivery of the Relevant Asset(s) in settlement upon redemption of such Notes pursuant to Condition 5(h)(B) and where settlement upon redemption is to be by way of physical delivery.

Notes may, if specified in the applicable Final Terms, allow Noteholders upon redemption of such Notes to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those Notes where the Noteholder has elected for cash payment will be Cash Settled Notes and those Notes where the Noteholder has elected for physical delivery will be Physical Delivery Notes. The rights of a Noteholder as described in this paragraph may be subject to the Issuer's right to vary settlement upon redemption of Notes as indicated in the applicable Final Terms and will be subject to the Issuer's right to substitute assets or pay the Alternative Cash Redemption Amount in lieu of physical delivery in accordance with these Conditions.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

1. Form, Denomination, and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"), in each case as set forth in the applicable Final Terms. Bearer Definitive Notes, if any, are serially numbered, in the Specified Currency and the Specified Denominations as indicated in the applicable Final Terms.

This Note is a Note bearing interest on a fixed-rate basis (a "**Fixed-Rate Note**"), a Note bearing interest on a floating-rate basis (a "**Floating-Rate Note**"), a Note issued on a non-interest bearing basis and offered and sold at a discount (other than a *de minimis* discount) to its principal amount or at par and to which the Zero Coupon Note provisions are expressed to be applicable (a "**Zero Coupon Note**"), a Note issued on the basis of interest linked to an underlying reference asset or basket of assets (each, an "**Underlying Asset**") such as an index or a basket of indices (an "**Index Linked Interest Note**"), a share or a basket of shares (a "**Share Linked Interest Note**"), a consumer price index or a basket of consumer price indices (an "**Inflation Linked Interest Note**"), a commodity or basket of commodities (a "**Commodity Linked Interest Note**"), a foreign exchange rate or basket of foreign exchange rates (an "**FX Linked Interest Note**"), one or more other Underlying Asset(s) (an "**other Underlying Asset(s) Interest Note**") a Note upon which payment of principal or interest may be in more than one currency (a "**Dual Currency Note**"), or a combination of any of the foregoing (a "**Hybrid Interest Note**"), depending upon the Interest/Payment Basis specified in the applicable Final Terms. It is also a Note issued on a partly paid basis (a "**Partly Paid Note**"), a Note upon which payments are based on an amortization table (the "**Amortization Table**") (an "**Amortizing Note**"), a Note which is redeemable in installments (an "**Installment Note**"), and a Note upon which payment of principal or any other amounts payable (other than interest) is determined by reference, either directly or indirectly, to the price or performance of one index or a basket of indices (an "**Index Linked Redemption Note**", together with Index Linked Interest Notes, "**Index Linked Notes**"), a share or a basket of shares (a "**Share Linked Redemption Note**", together with Share Linked Interest Notes, "**Share Linked Notes**"), a consumer price index or a basket of consumer price indices (an "**Inflation Linked Redemption Note**", together with Inflation Linked Interest Notes, "**Inflation Linked Notes**"), a commodity or basket of commodities (a "**Commodity Linked Redemption Note**", together with Commodity Linked Interest Notes, "**Commodity Linked Notes**"), a foreign exchange rate or basket of foreign exchange rates (an "**FX Linked Redemption Note**", together with FX Linked Interest Notes, "**FX Linked Notes**"), or to such other Underlying Asset(s) (an "**other Underlying Asset(s) Redemption Note**", together with other Underlying Asset(s) Interest Notes, "**Notes Linked to other Underlying Asset(s)**") or to a combination of any of the foregoing (a "**Hybrid Redemption Note**", together with Hybrid Interest Notes, "**Hybrid Notes**") in each case as specified in the

applicable Final Terms. In respect of Index Linked Notes, these Terms and Conditions and the Index Linked Conditions as specified in the applicable Final Terms will be applicable. In respect of Share Linked Notes, these Terms and Conditions and the Share Linked Conditions as specified in the applicable Final Terms will be applicable. In respect of Inflation Linked Notes, these Terms and Conditions and the Inflation Linked Conditions as specified in the applicable Final Terms will be applicable. In respect of Commodity Linked Notes, these Terms and Conditions and the Commodity Linked Conditions as specified in the applicable Final Terms will be applicable. In respect of FX Linked Notes, these Terms and Conditions and the FX Linked Conditions as specified in the applicable Final Terms will be applicable.

With respect to credit-linked Indexed Notes, unless otherwise specified in the applicable Final Terms, the definitions and provisions in the 2003 ISDA Credit Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”), and as amended, updated, or replaced as at the Issue Date of the first Tranche of the Notes of the relevant Series, are incorporated into these Terms and Conditions. A “**Credit-linked Indexed Note**” is a Note for which principal, premium, if any, interest, or any other amounts payable may be based on the change in value of one or more debt obligations, a spread on indices of similar debt obligations, a swap or embedded swap with payments on one side mirroring a basket of debt obligations, or any other similar reference asset or basket of debt obligations, if one or more of certain events relating to the creditworthiness of the issuer or issuers (which do not include the Issuer) of such debt obligations occurs before the scheduled Maturity Date.

This Note is either a Senior Note (as defined herein) or a Subordinated Note (as defined herein), as specified in the applicable Final Terms.

Bearer Notes are serially numbered and may be issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Couponholders in these Conditions are not applicable. Installment Notes in bearer form are issued with one or more Receipts attached.

Subject as set forth below, title to the Bearer Notes, Receipts, and Coupons will pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). The Issuer and any Paying Agent may (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt, or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Bearer Global Note, without prejudice to the provisions set out in the next paragraph.

So long as any of the Notes are represented by a Bearer Global Note or a Registered Global Certificate held on behalf of the Relevant Clearing System, each person who is shown in the records of the Relevant Clearing System as the holder of a particular nominal amount of such Notes (any certificate or other document issued by the Relevant Clearing System as to the nominal amount of Notes standing on the account of any person shall be conclusive and binding for all purposes, except in the case of manifest error) shall be treated by the Issuer, the Principal Agent, the Registrar, any Transfer Agent, and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes, except with respect to the payment of principal, premium, if any, interest, or any other amounts payable on, or deliveries in respect of, the Notes, the bearer of the relevant Bearer Global Note or, in the case of a Registered Global Note, the person or persons for the time being shown in the Register as at the Record Date maintained by the Registrar as the Noteholder or Noteholders, shall be treated by the Issuer, the Principal Agent, and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global Note (the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly). Interests in Notes which are represented by a Bearer Global Note or a Registered

Global Certificate will be transferable only in accordance with the rules and procedures for the time being of the Relevant Clearing System.

The Issuer will issue Notes in the Specified Denomination(s) set forth in the applicable Final Terms. However, the minimum denomination permitted for each Note will be such denomination as may be allowed or required by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Specified Currency. The minimum denomination of each Note admitted to trading on a European Economic Area exchange and/or offered to the public within the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive (Directive 2003/71/EC) will be €1,000 (or the equivalent amount in another currency).

Unless permitted by then current laws and regulations, any Notes (including Notes denominated in Sterling) for which the proceeds are to be accepted by the Issuer in the United Kingdom and which have a maturity of less than one year from their date of issue, shall (1) be issued to a limited class of professional investors, (2) have a redemption value of not less than £100,000 (or an amount of equivalent value denominated wholly or partly in a currency other than Sterling), and (3) provide that no part of any such Notes may be transferred unless the redemption value of that part is not less than £100,000 (or an equivalent amount in other currencies).

2. **Exchange and Transfers of Notes**

(a) ***Exchange of Notes***

Registered Notes may not be exchanged for Bearer Notes, and Bearer Notes may not be exchanged for Registered Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination.

(b) ***Transfer of Registered Notes***

Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Registered Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Registered Certificate duly completed and executed by the person shown on the Register and such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Registered Certificate, a new Registered Certificate shall be issued to the transferee (following the transferee's surrender of any existing Registered Certificate in respect of Notes of that Series) in respect of the part transferred and a further new Registered Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) ***Exercise of Options or Partial Redemption in Respect of Registered Notes***

In the case of an exercise of an Issuer's or Noteholder's option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Registered Certificate, a new Registered Certificate shall be issued to the Noteholder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Registered Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Registered Certificates shall only be issued against surrender of the existing certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Registered Certificate representing the enlarged holding shall only be issued against surrender of the Registered Certificate representing the existing holding.

(d) ***Delivery of New Certificates***

Each Registered Certificate to be issued pursuant to Condition 2(b) or (c) shall be available for delivery within three business days after receipt of the request for exchange, form of transfer or Put Notice (as defined herein) or surrender of the Registered Certificate for exchange, as applicable. Delivery of the new Registered Certificate shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Put Notice or Registered Certificate shall have been made or, at the option of the Noteholder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Put Notice or otherwise in writing, be mailed by uninsured mail at the risk of the Noteholder entitled to the new Registered Certificate to such address as may be so specified, unless such Noteholder requests otherwise and pays in advance to the Transfer Agent or Registrar the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “business day” means a day, other than a Saturday or Sunday, on which banks are open for business in the location of the specified office of the Registrar or the relevant Transfer Agent (as the case may be).

(e) ***Exchange Free of Charge***

Exchange and transfer of Registered Notes on registration, transfer, partial redemption, or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar, or the Transfer Agent, but upon payment by the Noteholder 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).

(f) ***Closed Periods***

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period commencing on the Record Date and ending on the due date for redemption of, or payment of any installment amount, or amount of interest, in respect of, that Note, (ii) during the period commencing on the Record Date and ending on the date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption, (iv) during the period commencing on the Record Date and ending on the date fixed for any meeting of Noteholders, or any adjourned meeting of Noteholders, or (v) during the period of seven calendar days ending on (and including) any Record Date.

“**Record Date**” means the close of business (London time) on the fifteenth calendar day prior to the applicable due date for redemption of a Registered Note, or the payment of any installment amount or amount of interest in respect of a Registered Note, or the date fixed for any meeting, or adjourned meeting of holders of Registered Notes.

3. **Status of the Senior Notes and the Subordinated Notes**

The Notes may be issued in one or more Series as unsecured debt securities, which may be either senior notes (“**Senior Notes**”) or subordinated notes (“**Subordinated Notes**”). The Notes are not deposits and are not insured by the Federal Deposit Insurance Corporation (the “**FDIC**”).

Under the Program, there is no limitation on the Issuer’s ability to issue additional Senior Indebtedness (as defined below) or Subordinated Notes.

(a) *Status of Senior Notes*

The Senior Notes will be unsecured and unsubordinated obligations of the Issuer and will rank equally with all other unsubordinated and unsecured indebtedness of the Issuer. The Subordinated Notes are unsecured and subordinate and subject in right of payment to the prior payment in full of all Senior Indebtedness of the Issuer.

“**Senior Indebtedness**” is defined as any indebtedness for money borrowed (including all indebtedness of the Issuer for borrowed and purchased money of the Issuer, all obligations arising from off-balance sheet guarantees by the Issuer and direct credit substitutes and obligations of the Issuer associated with derivative products such as interest and foreign exchange rate contracts and commodity contracts) that is outstanding on the date of execution of the Agency Agreement, or is thereafter created, incurred, or assumed, for which the Issuer is at the time of determination responsible or liable as obligor, guarantor, or otherwise for payment, and all deferrals, renewals, extensions, and refundings of any such indebtedness or obligations, other than the Subordinated Notes or any other indebtedness as to which the instrument creating or evidencing the same or pursuant to which the same is outstanding, provides that such indebtedness is subordinate in right of payment to any other indebtedness of the Issuer.

(b) *Status of Subordinated Notes*

The indebtedness evidenced by the Subordinated Notes and any Coupons and Receipts appertaining thereto, subject to the extent set forth herein, shall be subordinated in right of payment to the prior payment in full of all the Issuer’s Senior Indebtedness. Senior Indebtedness shall continue to be Senior Indebtedness and shall be entitled to the benefits of such subordination irrespective of any amendment, modification, or waiver of any term of the Senior Indebtedness. There is no right of acceleration in the case of a default in the payment of interest on the Subordinated Notes or in the performance of any other obligation of the Issuer under the Subordinated Notes.

The Issuer shall not make any payment on account of principal of, premium, if any, interest, or any other amounts payable on, or deliveries in respect of, its Subordinated Notes or purchase any of its Subordinated Notes, either directly or indirectly, if (1) any default or Event of Default with respect to any of its Senior Indebtedness shall have occurred and be continuing and (2) it shall have received written notice thereof from the holders of at least 10.00 per cent. in principal amount of any kind or category of any of its Senior Indebtedness (or the representative or representatives of such holders).

Until all of the Issuer’s Senior Indebtedness is paid in full, the holders of the Subordinated Notes will be subrogated (equally and ratably with the holders of all of the Issuer’s indebtedness which, by its express terms, ranks equally with its Subordinated Notes, and is entitled to like rights of subrogation) to the rights of the holders of the Issuer’s Senior Indebtedness to receive payments or distributions of its assets.

If the Issuer repays any of its Subordinated Notes before the required date or in connection with a distribution of its assets to creditors pursuant to a dissolution, winding up, liquidation, or reorganization, any principal, premium, if any, interest, or any other amounts payable or deliveries due will be paid or delivered to the holders of the Issuer’s Senior Indebtedness before any holders of its Subordinated Notes are paid. In addition, if such amounts were previously paid to the holders of the Subordinated Notes, the holders of its Senior Indebtedness shall have first rights to such amounts previously paid.

No modification or amendment of the subordination provisions of Subordinated Notes and any related coupons in a manner adverse to the holders of Senior Indebtedness may be made without the consent of the holders of all of the Issuer’s outstanding Senior Indebtedness.

4. Interest

(a) *Interest on Fixed-Rate Notes*

Unless otherwise specified in the applicable Final Terms, each Fixed-Rate Note bears interest on its outstanding nominal amount (or if it is a Partly Paid Note, on the amount paid-up) at the rate or rates per annum specified in the applicable Final Terms from (and including) the Interest Commencement Date to (but excluding) the Maturity Date. Interest will be payable in arrear on the date or dates in each year specified in the applicable Final Terms (each, a “**Fixed Interest Payment Date**”) and on the Maturity Date if it does not fall on a Fixed Interest Payment Date. The first interest payment will, subject to Condition 6 and Condition 10, be made on the first Fixed Interest Payment Date following the Interest Commencement Date.

If any Fixed Interest Payment Date is not a Payment Business Day (as defined in Condition 5(e)), then payment on a Fixed-Rate Note shall be paid as provided in Condition 5(e).

If a “**Fixed Coupon Amount**” is specified in the applicable Final Terms, the amount of interest payable on each Fixed Interest Payment Date in respect of the Fixed Interest Period (as defined below) ending on (but excluding) such date will be the Fixed Coupon Amount as specified irrespective of any calculation based on the Rates of Interest (as defined in Condition 4(f)) and any applicable Fixed Day Count Fraction (as defined below) (if any) and if the amount of interest payable on any Fixed Interest Payment Date is specified as an amount other than the Fixed Coupon Amount, such amount will be a “**Broken Amount**” specified in the applicable Final Terms.

As used in these Conditions, “**Fixed Interest Period**” means the period from, and including, the most recent Fixed Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the next (or first) Fixed Interest Payment Date, unless otherwise specified in the applicable Final Terms.

Unless otherwise specified in the applicable Final Terms, if interest is required to be calculated for a period other than a Fixed Interest Period, that interest shall be calculated by applying the Rate of Interest specified in the applicable Final Terms to each Specified Denomination, multiplying that sum by the applicable Fixed Day Count Fraction and rounding the resulting figure to the nearest Sub-unit (as defined below) of the relevant Specified Currency, half of any such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

“**Fixed Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if “**Actual/Actual (ICMA)**” is specified in the applicable Final Terms:
 - (A) for Notes where the Accrual Period (as defined below) is equal to or shorter than the Determination Period (as defined below) during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of determination dates (“**Determination Dates**”), as specified in the applicable Final Terms, that would occur in one calendar year assuming interest were payable in respect of the whole of that year; or
 - (B) for Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) 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) the number of Determination Dates,

as specified in the applicable Final Terms, that would occur in one calendar year assuming interest were payable in respect of the whole of that year; and

- (2) 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) the number of Determination Dates that would occur in one calendar year assuming interest were payable in respect of the whole of that year; and

- (ii) if “**30/360**” is specified in the applicable Final Terms, the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

Where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Accrual Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Accrual Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Accrual Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Accrual Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

“**Accrual Period**” means the period from (and including) the most recent Fixed Interest Payment Date (or, if none, the Issue Date or, if different from the Issue Date, the Interest Commencement Date) to (but excluding) the relevant Interest Payment Date.

“**Determination Period**” means the period from (and including) a Determination Date (as specified in the applicable Final Terms) to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Fixed Interest Payment 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).

“**Sub-unit**” means, for euro, one cent, and, for any currency other than euro, the lowest amount of that currency that is available as legal tender in the country of that currency.

(b) ***Interest on Floating-Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, Inflation Linked Interest Notes, Commodity Linked Interest Notes, FX Linked Interest Notes, Hybrid Interest Notes, and Notes with Interest Linked to Other Underlying Asset(s)***

(i) ***Interest Periods and Interest Payment Dates***

Each Floating-Rate Note, Index Linked Interest Note, Share Linked Interest Note, Inflation Linked Interest Note, Commodity Linked Interest Note, FX Linked Interest Note, Hybrid Interest Note, and any Note with interest linked to other Underlying Asset(s) bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, on the amount paid-up) from (and including) the Interest Commencement Date specified in the applicable Final Terms. Interest will be payable in arrear on either:

- (A) the Interest Payment Dates (each, an “**Interest Payment Date**”) in each year specified in the applicable Final Terms; or
- (B) if no Interest Payment Dates are specified in the applicable Final Terms, each date (each, an “**Interest Payment Date**”) which falls the number of months or other period specified in the applicable Final Terms after the preceding Interest Payment Date, or in the case of the first Interest Payment Date, after the Interest Commencement Date (the “**First Interest Payment Date**”).

Interest will be payable in respect of each “**Interest Period**” (which expression shall mean, in these Terms and Conditions, the period from (and including), an Interest Period End Date (or the Interest Commencement Date), to (but excluding) the next, or the First Interest Period End Date, as the case may be.

If (i) there is no numerically corresponding day in the calendar month during which an Interest Payment Date should occur or (ii) any Interest Payment Date (or other date specified in the applicable Final Terms to be subject to adjustment in accordance with a business day convention) falls on a day which is not a Business Day, it will be adjusted in accordance with the business day convention specified in the applicable Final Terms. If the business day convention specified is:

- (1) the “**Floating Rate Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day. If postponement would cause such date to fall in the next calendar month, then (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date (or other date) shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding applicable Interest Payment Date (or other date) occurred; or
- (2) the “**Following Business Day Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (3) the “**Modified Following Business Day Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day, unless that date would fall in the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the immediately preceding Business Day; or
- (4) the “**Preceding Business Day Convention**”, such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day.

If an Interest Payment Date thereby falls after the last day of the Interest Period to which it relates, no additional interest or other amount shall be payable.

“**Business Day**” means a day which is both:

- (A) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and New York, New York and any additional business centers specified in the applicable Final Terms (each, an “**Additional Business Center**”); and
- (B) either (1) for any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial center(s) (the “**Principal Financial Center(s)**”) of the country of the relevant Specified Currency (if other than London) or (2) for any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto is operating.

Unless otherwise provided in the applicable Final Terms, the Principal Financial Center of any Specified Currency for the purpose of these Terms and Conditions shall be the relevant financial center (if any) specified for the relevant Specified Currency in Section 1.5 or Section 1.6 of the ISDA Definitions, except that the Principal Financial Centers for Australian Dollars shall be Melbourne and Sydney, the Principal Financial Center for Canadian Dollars shall be Toronto, and the Principal Financial Center for New Zealand Dollars shall be Wellington.

The term “**ISDA Definitions**” means the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) and as amended, updated, or replaced as at the Issue Date of the first Tranche of the Notes of the relevant Series.

(ii) *Rate of Interest on Floating-Rate Notes*

The Rate of Interest payable on Floating-Rate Notes will be set forth in the applicable Final Terms.

(A) *ISDA Determination for Floating-Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the margin (the “**Margin**”), if any. For purposes of this sub-paragraph (A), the “**ISDA Rate**” for an Interest Period means a rate determined by the Principal Agent or such other person specified in the applicable Final Terms that is equal to the Floating Rate under an interest rate swap transaction if the Principal Agent or such other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the relevant Interest Commencement Date is the Effective Date;
- (3) the Designated Maturity is a period specified in the applicable Final Terms;

- (4) the relevant Reset Date is either (i) the first day of that Interest Period, if the applicable Floating Rate Option is based on the London interbank offered rate (“**LIBOR**”) or the Euro-Zone interbank offered rate (“**Euribor**”) for a currency, or (ii) in any other case, as specified in the applicable Final Terms; and
- (5) all other terms are as specified in the applicable Final Terms.

For purposes of this sub-paragraph (A), “**Euro-Zone**” has the meaning set forth below and “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Effective Date**”, “**Designated Maturity**”, and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions.

(B) *Screen Rate Determination*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be, subject as provided below, either:

- (1) the offered quotation (if there is only one quotation on the relevant screen page (the “**Relevant Screen Page**”)), whatever its designation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations, (expressed as a percentage rate per annum) for the rate (the “**Reference Rate**”) by reference to the Rate of Interest which appears or appear, as the case may be, on the Relevant Screen Page on which the Reference Rate is for the time being displayed on the Reuter Monitor Money Rates Service (or such other service as is specified in the applicable Final Terms) at 11:00 a.m. (London time in the case of LIBOR, or Brussels time in the case of Euribor) on the dates on which the Rate of Interest is to be determined (each, an “**Interest Determination Date**”) plus or minus (as indicated in the applicable Final Terms) the Margin, if any, all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, only one of such quotations) and the lowest (or, if there is more than one such lowest quotation, only one of such quotations) shall be disregarded by the Calculation Agent for purposes of determining the arithmetic mean of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than two such offered quotations appear, in each case at the time specified in the preceding paragraph, the Calculation Agent, at its sole discretion, shall request the principal London office of each of the Reference Banks (as defined herein) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the London interbank market in the case of LIBOR or leading banks in the Euro-Zone interbank market in the case of Euribor, at approximately 11:00 a.m. (London time in the case of LIBOR, or Brussels time in the case of Euribor) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin, if any, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of

Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded as provided above) of the rates, as communicated to (and at the request of) the Calculation Agent by any two or more of the Reference Banks, at which such banks were offered, at approximately 11:00 a.m. (London time in the case of LIBOR, or Brussels time in the case of Euribor) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the London interbank market in the case of LIBOR, or leading banks in the Euro-Zone interbank market in the case of Euribor, plus or minus (as appropriate) the Margin, if any. If fewer than two of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest shall be the offered quotation for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered quotations for deposits in the Specified Currency for the relevant Interest Period, at which, at approximately 11:00 a.m. (London time in the case of LIBOR, or Brussels time in the case of Euribor) on the relevant Interest Determination Date, any one or more banks informs the Calculation Agent it is quoting to leading banks in the London interbank market in the case of LIBOR or leading banks in the Euro-Zone interbank market in the case of Euribor, plus or minus (as appropriate) the Margin, if any, provided that if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

“**Reference Banks**” means, in the case of (1) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and in the case of (2) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

“**EC Treaty**” means the Treaty establishing the European Community, as amended by the Treaty on European Union, as amended by the Treaty of Amsterdam.

“**Euro-Zone**” means the region comprised of member states of the European Union that have adopted the euro as the single currency in accordance with the EC Treaty.

If the Reference Rate from time to time for Floating-Rate Notes is specified in the applicable Final Terms as being other than LIBOR or Euribor, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

- (iii) *Rate of Interest and/or Interest Amount for Index Linked Interest Notes, Share Linked Interest Notes, Inflation Linked Interest Notes, Commodity Linked Interest Notes, FX Linked Interest Notes, Hybrid Interest Notes, and Notes with Interest Linked to Other Underlying Asset(s)*

The Rate of Interest in respect of Index Linked Interest Notes, Share Linked Interest Notes, Inflation Linked Interest Notes, Commodity Linked Interest Notes, FX Linked Interest Notes, Hybrid Interest Notes, or Notes with interest linked to other Underlying Asset(s) for each Interest Period and/or the Interest Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in the manner set out in the applicable Final Terms.

- (iv) *Determination of Rate of Interest and Calculation of Interest Amounts for Floating-Rate Notes*

The Calculation Agent, at or as soon as practicable after each time at which the Rate of Interest payable on Floating-Rate Notes is to be determined, will determine the Rate of Interest (subject to any specified Minimum Interest Rate (as defined herein) or Maximum

Interest Rate (as defined herein)) and calculate the amount of interest (the “**Interest Amount**”) payable on the Floating-Rate Notes for the relevant Interest Period. Each Interest Amount shall be calculated (unless a formula for calculation of the Interest Amount is specified in the applicable Final Terms, in which case the Interest Amount shall be calculated in accordance with such formula) by applying the Rate of Interest for such Interest Period to the minimum Specified Denomination), multiplying such sum by the applicable Floating Day Count Fraction (as defined herein) and rounding the resulting figure to the nearest U.S. Cent (or its approximate equivalent in the relevant Specified Currency), with \$.005 (or its approximate equivalent in the relevant Specified Currency) being rounded upwards. The Calculation Agent’s determination of the Rate of Interest and calculation of each Interest Amount shall be conclusive and binding on all parties in the absence of manifest error.

“**Floating Day Count Fraction**” shall have the meaning ascribed to “Day Count Fraction” in the ISDA Definitions or as agreed upon between the Issuer and Dealers in the applicable Final Terms; provided, however, if “**Actual/365 (Sterling)**” is specified in the applicable Final Terms, the Floating Day Count Fraction shall be the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366.

(v) *Notification of Rate of Interest and Interest Amount*

The Calculation Agent will notify the Issuer and any stock exchange on which the Notes (other than Fixed-Rate Notes, Zero Coupon Notes, and non-interest bearing Notes) are listed (if the rules of such stock exchange so require) of the Rate of Interest and each Interest Amount for each Interest Period, the relevant Interest Payment Date and any other item or amount determined or calculated by it in accordance with the applicable Final Terms as soon as reasonably practicable after the relevant determination or calculation. The Calculation Agent also shall publish such notice in accordance with Condition 14 as soon as possible after any determination, but in no event later than the fourth London Business Day thereafter. In connection with any such Notes listed on the Luxembourg Stock Exchange, the Calculation Agent will notify the exchange of the Rate of Interest, the Interest Period, and each Interest Amount no later than the first day of the commencement of each new Interest Period. Both the Interest Amount and Interest Payment Dates subsequently may be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period in accordance with the provisions hereof. Each stock exchange on which such Notes are listed will be notified promptly of any amendment in accordance with Condition 14. For purposes of this sub-paragraph (v), the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in London.

(vi) *Certificates to Be Final*

All certificates, communications, opinions, determinations, calculations, quotations, and decisions given, expressed, made, or obtained for the purposes of the provisions of this Condition 4(b), by the Calculation Agent shall (in the absence of willful default, bad faith, or manifest error) be binding on the Issuer, the Calculation Agent, the other Paying Agents, and all Noteholders, Receiptholders, and Couponholders and (in the absence of the aforesaid) the Calculation Agent shall not be liable to the Issuer, the Noteholders, the Receiptholders, or the Couponholders in connection with the exercise by it of its powers, duties, and discretions pursuant to such provisions.

(c) *Zero Coupon Notes*

If a Zero Coupon Note becomes due and repayable prior to the Maturity Date and is not paid when due, the amount due and repayable shall be the Amortized Face Amount (as defined in Condition 6(f)) of such Note as determined in accordance with Condition 6(f)(iii). From the Maturity Date, any overdue principal of such Note shall bear interest at a rate per annum equal to the accrual yield, if any, in respect of such Notes (the “**Accrual Yield**”) (expressed as a percentage per annum) set forth in the applicable Final Terms.

(d) *Partly Paid Notes*

For Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes and Partly Paid Notes that do not bear interest), interest will accrue on the paid-up principal amount of such Notes and otherwise as specified in the applicable Final Terms.

(e) *Accrual of Interest*

Each Note (or in the case of the redemption of only part of a Note, only that part of such Note) will cease to bear interest, if any, from the date for its redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue, before or after judgment, until the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; or
- (ii) five calendar days after the date on which the Principal Agent has received the full amount of the monies payable and notice to that effect has been given in accordance with Condition 14 or individually.

(f) *Rate of Interest*

As used in these Conditions, “**Rate of Interest**” means the rate, or each rate, of interest in respect of each interest bearing Note determined in accordance with the applicable provisions of this Condition 4 or as specified in the applicable Final Terms.

(g) *Limitations on Interest*

The applicable Final Terms may specify a minimum rate at which the Notes bear interest (a “**Minimum Interest Rate**”). If the Rate of Interest determined in accordance with the provisions of this Condition 4 is less than the specified Minimum Interest Rate, the Rate of Interest shall be such Minimum Interest Rate. Subject to the provisions of the next paragraph, the applicable Final Terms may specify a Maximum Interest Rate. If the Rate of Interest determined in accordance with the provisions of this Condition 4 is greater than the maximum rate at which the Notes bear interest (the “**Maximum Interest Rate**”), the Rate of Interest shall be such Maximum Interest Rate.

In addition to any Maximum Interest Rate which may be applicable to any Note pursuant to the above provision, the interest rate on such Note will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application. Under present New York law, the maximum rate of interest is 25.00 per cent. per annum on a simple interest basis, with certain exceptions. The limit may not apply to Notes in which \$2,500,000 or more has been invested.

5. Payments and Physical Delivery

For the purposes of this Condition 5, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions shall, where the context so requires, be deemed also to refer to delivery of any Physical Delivery Amount(s).

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes shall be made against presentation and surrender of the relevant Receipts (in the case of payments of Installment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its related Note), Notes or Coupons, as the case may be, at the specified office of any Paying Agent outside the United States and its possessions by a check payable in the currency in which such payment is due drawn on a bank in the Principal Financial Center for that currency, and at the option of the bearer of such Receipt, Note, or Coupon, shall be mailed or delivered to an address outside the United States and its possessions furnished by such bearer or, at the option of such bearer, subject to any applicable laws and regulations, shall be transferred to an account denominated in that currency with a bank in the Principal Financial Center for that currency; provided, however, that any payments made by transfer will be made in immediately available funds to an account maintained by the payee with a bank located outside the United States and its possessions, provided, however that:

- (i) payments in a Specified Currency (other than euro) will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or by a check in such Specified Currency drawn on, a bank in the Principal Financial Center of the country of such Specified Currency; provided, however, that a check may not be delivered to an address in, and an amount may not be transferred to an account at a bank located in, the United States or any of its possessions by any office or agency of the Issuer, the Principal Agent, or any Paying Agent; and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee; provided, however, that a credit or transfer may not be delivered to an address in, and an amount may not be transferred to an account at a bank located in the United States or any of its possessions by any office or agency of the Issuer, the Principal Agent, or any Paying Agent.

(b) *Registered Notes*

- (i) Payments of principal (which for the purposes of this Condition 5(b) shall include final Installment Amounts but not other Installment Amounts) in respect of Registered Notes shall be made to the person shown on the Register on the Record Date against presentation and surrender of the relevant Registered Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 5(b)(ii) below.
- (ii) Payments of interest and Installment Amounts (other than the final Installment Amount) on Registered Notes shall be paid to the person shown on the Register on the Record Date. Payments in respect of each Registered Note shall be made in the relevant Specified Currency by check drawn on a bank in the Principal Financial Center of the country of such Specified Currency and mailed to the Noteholder (or the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the Noteholder to the specified office of the Registrar or Transfer Agent before the Record Date and subject as provided in Condition 5(a) above, such payment may be made by transfer to an account in

the Specified Currency maintained by the payee with a bank in the Principal Financial Center of the country of such Specified Currency.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

(c) ***Payments in the United States***

Notwithstanding Condition 5(a), U.S. Dollar payments of principal and interest in respect of Bearer Notes will be made at the specified office of a Paying Agent in the United States or its possessions if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States and its possessions with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of principal, interest, or any other amounts payable on the Bearer Notes in the manner provided above when due in U.S. Dollars at such specified offices; and
- (ii) payment of the full amount of such principal, premium, if any, interest, or any other amounts payable, at all such specified offices outside the United States and its possessions is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences for the Issuer.

(d) ***Unmatured Coupons and Receipts and unexchanged Talons***

In the case of Fixed-Rate Notes, Bearer Notes should be presented for payment together with all related unexpired Coupons (which expression shall for this purpose include Coupons to be issued upon exchange of expired Talons). Failure to present the above will result in the amount of any missing unexpired Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unexpired Coupon as the sum so paid bears to the sum due) being deducted from the sum due for payment. Each amount of principal so deducted will be paid as described above against surrender of the relative missing Coupon at any time before the expiration of five years after the Relevant Date (as defined in Condition 9) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Bearer Note becoming due and payable prior to its Maturity Date, all relevant unexpired Talons, if any, will become void and no further Coupons will be issued in respect of that Bearer Note.

In the case of Floating-Rate Notes, upon any Bearer Note becoming due and payable prior to its Maturity Date, any related unexpired Coupons (whether or not attached), shall become void and no payment or, as the case may be, exchange for further Coupons, shall be made in respect of those Bearer Notes.

Upon the date on which any Bearer Note becomes due and repayable, unexpired Receipts, if any, relating thereto (whether or not attached), shall become void and no payment shall be made in respect thereof. Payment of the final installment will be made as provided in Condition 5(a) above against surrender of the relevant Bearer Notes.

If the due date for redemption of any Bearer Note is not a Fixed Interest Payment Date or an Interest Payment Date, interest, if any, accrued in respect of such Bearer Note, from (and including) the preceding Fixed Interest Payment Date or Interest Payment Date or, as the case may be, the Interest Commencement Date, shall be payable only against surrender of the relevant Bearer Note.

Except as provided in Condition 5(c), payments of principal, premium, if any, interest, or any other amounts payable on, or deliveries in respect of, a Bearer Global Note, will be made as specified above for Bearer Notes and otherwise as specified in the relevant Bearer Global Note outside the United States and its possessions against presentation or surrender, as the case may be, of such Bearer Global Note, and payments on any Bearer Note will be made at the specified office of any Paying Agent outside the United States and its possessions. The Paying Agent will record on each Bearer Global Note in CGN form each payment made against presentation or surrender of such Bearer Global Note, distinguishing between any payment of principal, premium, if any, interest, or any other amounts payable, and such record shall be prima facie evidence that the payment has been made.

So long as any of the Notes are represented by a Bearer Global Note or a Registered Global Certificate held on behalf of the Relevant Clearing Systems, each person who is shown in the records of the Relevant Clearing Systems as the holder of a particular nominal amount of such Notes (any certificate or other document issued by the Relevant Clearing Systems as to the nominal amount of Notes standing on the account of any person shall be conclusive and binding for all purposes, except in the case of manifest error) shall be treated by the Issuer, the Principal Agent, and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes, except with respect to the payment of principal, premium, if any, interest, or any other amounts payable on, or deliveries in respect of, the Notes, the bearer of the relevant Bearer Global Note or, in the case of a Registered Global Note, the person or persons for the time being shown in the Register maintained by the Registrar as the Noteholder or Noteholders, shall be treated by the Issuer, the Principal Agent, and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global Note.

(e) ***Payment Business Day***

If the due date for payment of any amount in respect of any Note, Receipt, or Coupon is not a Payment Business Day, the holder of the Notes shall not be entitled to payment of the amount due until the next following Payment Business Day. The holder of the Notes shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless otherwise specified in the applicable Final Terms, “**Payment Business Day**” means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchanges and foreign currency deposits) in:

- (i) the relevant place of presentation;
- (ii) the Principal Financial Center of the country of the relevant Specified Currency (or in the case of an amount payable in euro, a day on which the TARGET2 System or any successor thereto is operating); and
- (iii) any additional financial center (“**Additional Financial Center**”) specified in the applicable Final Terms.

This Condition 5(e) is applicable, if at all, to Notes other than Fixed-Rate Notes only after the applicable business day convention, as specified in Condition 4(b)(i), has been used to determine the relevant Interest Payment Date.

(f) ***Interpretation of Principal***

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any Additional Amounts (as defined in Condition 8) which may be payable with respect to principal under Condition 8;

- (ii) the Final Redemption Amount (as defined in Condition 6(a)) of the Notes;
- (iii) any Physical Delivery Amount, Disruption Cash Redemption Amount (as defined in Condition 5(h)(A)(5)), Failure to Deliver Redemption Amount (as defined in Condition 5(h)(A)(6)), or Alternative Cash Redemption Amount (as defined in Condition 5(h)(C)) in respect of the Notes;
- (iv) the redemption amount (the “**Early Redemption Amount**”) of the Notes payable on redemption for taxation reasons or following an Event of Default and the method, if any, of calculating the same if required to be specified by, or if different from that set out in, Condition 6(f);
- (v) the redemption amount payable on the occurrence of a Settlement Disruption Event (as defined in Condition 5(h)(A)(5)) or Failure to Deliver due to Illiquidity (as defined in Condition 5(h)(A)(6));
- (vi) each redemption amount (the “**Optional Redemption Amount**”), if any, of the Notes;
- (vii) for Installment Notes, the amount (expressed as a percentage of the principal amount of each Note) of such installment (each, an “**Installment Amount**”);
- (viii) for Amortizing Notes, the amount of unpaid principal;
- (ix) for Zero Coupon Notes, the Amortized Face Amount; and
- (x) any premium and any other amounts which may be payable by the Issuer under or for the Notes.

Any reference in these Terms and Conditions to interest on the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable in connection with interest under Condition 8.

(g) ***Imposition of Exchange Controls***

If the Issuer, after consulting with the Principal Agent, reasonably determines that a payment on the Notes, Receipts, or Coupons cannot be made in the Specified Currency due to restrictions imposed by the government of such currency or any agency or instrumentality thereof or any monetary authority in such country (other than as contemplated in the preceding Condition 5(a)), such payment will be made outside the United States and its possessions in U.S. dollars by a check drawn on or by credit or transfer to an account maintained by the holder with a bank located outside the United States and its possessions, provided that any check shall be mailed or delivered to an address outside the United States and its possessions. The Principal Agent, on receipt of the Issuer’s written instruction and at the expense of the Issuer, shall give prompt notice to the holders of the Notes if such determination is made. The amount of U.S. Dollars to be paid in connection with any payment shall be the amount of U.S. Dollars that could be purchased by the Agent with the amount of the relevant currency payable on the date the payment is due, at the rate for sale in financial transactions of U.S. Dollars (for delivery in the Principal Financial Center of the Specified Currency two Business Days later) quoted by that bank at 10:00 a.m. local time in the Principal Financial Center of the relevant currency, on the second Business Day prior to the date the payment is due.

(h) **Physical Delivery Notes**

(A) *Physical Delivery*

(1) *Asset Transfer Notices*

In relation to Physical Delivery Notes, in order to obtain delivery of the Physical Delivery Amount(s) in respect of any Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg, or any Alternative Clearing System, as the case may be, not later than 10:00 a.m. (local time) on the date (the “**Physical Delivery Cut-off Date**”) falling three Business Days prior to the Maturity Date, Interest Payment Date, or other relevant date as specified in the applicable Final Terms, a duly completed asset transfer notice (an “**Asset Transfer Notice**”) in accordance with the provisions set out in this Condition 5(h).

In the case of Notes held by a Relevant Clearing System, an Asset Transfer Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System, which is expected to be by authenticated SWIFT message or tested telex.

Copies of the Asset Transfer Notice for Definitive Notes that are not held by the Relevant Clearing System shall be in the form set out in the Agency Agreement, and may be obtained during normal business hours from the specified office of any Paying Agent. Upon completion, an Asset Transfer Notice for Definitive Notes held outside of a Relevant Clearing System shall be delivered to any Paying Agent.

The delivery of the Physical Delivery Amount(s) shall be made outside the United States and its possessions in the manner specified in the Final Terms or in such other commercially reasonable manner as the Issuer shall determine to be appropriate for such delivery and shall notify to the Noteholders in accordance with Condition 14.

All expenses, including any applicable depositary charges, transaction or exercise charges, stamp duty reserve tax, withholding tax, and/or other taxes or duties (together “**Expenses**”), arising from the delivery and/or transfer of any Physical Delivery Amount(s) shall be for the account of the relevant Noteholder or Couponholder, as the case may be, and no delivery and/or transfer of any Physical Delivery Amount(s) shall be made until Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder or Couponholder, as the case may be.

The Asset Transfer Notice shall:

- (i) specify the name, address outside the United States and its possessions, and contact telephone number of the relevant Noteholder or Couponholder, as the case may be, the person from whom the Issuer may obtain details for the delivery of the Physical Delivery Amount if such delivery/transfer is to be made otherwise than in the manner specified in the Final Terms;
- (ii) specify the ISIN of the Notes and the number of Notes which are the subject of such notice;
- (iii) in the case of Notes held by a Relevant Clearing System, specify the number of the Noteholder’s securities account at the Relevant Clearing System to be debited with such Notes;

- (iv) in the case of Notes held by a Relevant Clearing System, irrevocably instruct the Relevant Clearing System to debit the relevant Noteholder's securities account with the relevant Notes;
 - (v) include, or be deemed to include, an undertaking to pay all Expenses and, in the case of Notes held by a Relevant Clearing System, an authority to the Relevant Clearing System to debit a specified account of the Noteholder with the Relevant Clearing System in respect thereof and to pay such Expenses;
 - (vi) include such details as are required by the applicable Final Terms for delivery of the Physical Delivery Amount which may include account details of an account outside the United States and its possessions and/or the name and address outside the United States and its possessions of any person(s) into whose name evidence of the Physical Delivery Amount is to be registered and/or any bank, broker, or agent outside the United States and its possessions to whom documents evidencing the Physical Delivery Amount are to be delivered and specify the name and number of the Noteholder's account with the Relevant Clearing System to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Physical Delivery Amount or any dividends relating to the Physical Delivery Amount or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver and the Issuer electing to pay the Disruption Cash Redemption Amount or Failure to Deliver Redemption Amount, as applicable, or as a result of the Issuer electing to pay the Alternative Cash Redemption Amount;
 - (vii) in respect of Physical Delivery Notes which are Bearer Notes, certify, or be deemed to certify, that the beneficial owner of each Note is not a U.S. person (as defined in the Asset Transfer Notice), the Note is not being redeemed within the United States or its possessions or on behalf of a U.S. person and no cash or Physical Delivery Amounts have been or will be delivered within the United States or its possessions or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof; and
 - (viii) authorize, or be deemed to authorize, the production of such certification in any applicable administrative or legal proceedings, all as provided in the Agency Agreement.
- (2) *Verification of the Noteholder*

Upon receipt of an Asset Transfer Notice, the Relevant Clearing System (in the case of Notes held by a Relevant Clearing System) or the Principal Agent (in the case of Notes that are not held by a Relevant Clearing System) shall verify that the person delivering the Asset Transfer Notice is the holder of the Notes described therein according to its records. Subject thereto, in the case of Notes held by a Relevant Clearing System, the Relevant Clearing System will confirm to the Principal Agent the ISIN and number of Notes the subject of such notice, and the details for the delivery of the Physical Delivery Amount of each Note. Upon receipt of such confirmation, the Principal Agent will inform the Issuer and the Delivery Agent thereof. In the case of Notes held by a Relevant Clearing System, the Relevant Clearing System will on the Delivery Date debit the securities account of the relevant Noteholder with the relevant Notes.

(3) *Determinations and Delivery*

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made by the Relevant Clearing System in consultation with the Principal Agent (in the case of Notes held by a Relevant Clearing System) or the Principal Agent (in the case of Notes that are not held by a Relevant Clearing System) after consulting with the Issuer and the Delivery Agent, and shall be conclusive and binding on the Issuer, the Principal Agent, the Delivery Agent, and the relevant Noteholder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied or sent as provided in Condition 5(h)(A)(1) above, shall be null and void. If such Asset Transfer Notice is subsequently corrected to the satisfaction of the Relevant Clearing System or the Principal Agent, as applicable, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered to the Relevant Clearing System or the Principal Agent, as applicable.

The Relevant Clearing System (or the Principal Agent in the case of Notes held outside a Relevant Clearing System) shall use its best efforts promptly to notify the Noteholder submitting an Asset Transfer Notice if, in consultation with the Principal Agent (in the case of Notes held by a Relevant Clearing System) after consulting with the Issuer and the Delivery Agent, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or willful misconduct on its part, none of the Issuer, the Agents, or the Relevant Clearing System shall be liable to any person with respect to any action taken or omitted to be taken in connection with such determination or the notification of such determination to a Noteholder.

No Asset Transfer Notice may be withdrawn after receipt thereof by either the Relevant Clearing System or the applicable Paying Agent, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

The Physical Delivery Amount will be delivered at the risk of the relevant Noteholder, in the manner provided below on the Interest Payment Date, the Maturity Date, or any other relevant date as specified in the applicable Final Terms, as the case may be (such date, subject to adjustment in accordance with this Condition 5(h), the “**Delivery Date**”), provided that the Asset Transfer Notice is duly delivered to the Relevant Clearing System or any Paying Agent, as applicable, as provided above on or prior to the Physical Delivery Cut-Off Date.

If a Noteholder fails to give an Asset Transfer Notice as provided herein on or prior to the Physical Delivery Cut-Off Date, then the Physical Delivery Amount will be delivered as soon as practicable after the Interest Payment Date, Maturity Date, or other relevant date as specified in the applicable Final Terms, as the case may be, (in which case, such date of delivery shall be the Delivery Date) at the risk of such Noteholder in the manner provided below. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Delivery Date falling after the Interest Payment Date, Maturity Date, or such other relevant date as specified in the applicable Final Terms and no liability in respect thereof shall attach to the Issuer, the Calculation Agent, or the Delivery Agent.

The Issuer shall, at the risk of the relevant Noteholder, deliver or procure the delivery of the Physical Delivery Amount for each Note, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Issuer shall in its sole discretion determine and notify to the person designated by the Noteholder in the relevant Asset Transfer Notice, provided that in the case of Notes held by a Relevant Clearing System, all deliveries are expected to be made through such Relevant Clearing System.

All Expenses arising from the delivery of the Physical Delivery Amount in respect of such Notes shall be for the account of the relevant Noteholder, and no delivery of the Physical Delivery Amount shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

(4) *General*

Notes held by the same Noteholder will be aggregated for the purpose of determining the aggregate Physical Delivery Amounts in respect of such Notes, provided that the aggregate Physical Delivery Amounts in respect of the same Noteholder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine.

Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and no cash adjustment will be made in respect thereof.

Following the Delivery Date of a share certificate in respect of any Share, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the Delivery Date and to be delivered in the same manner as such relevant Shares. Any such dividends (net of any Expenses) to be paid to a Noteholder will be paid to the account specified by the Noteholder in the relevant Asset Transfer Notice as referred to in Condition 5(h)(A)(1).

For such period of time after delivery of the Physical Delivery Amount as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of any of the Relevant Asset(s) comprising the Physical Delivery Amount (the “**Intervening Period**”), whether owned in connection with such entity’s hedge of its obligations, directly or indirectly, under the Notes or otherwise held in its normal course of business, none of the Issuer, the Calculation Agent, the Delivery Agent, or any other person shall at any time be under any obligation or liability to any Noteholder or Couponholder in respect of such Reference Assets, including without limitation, (i) any obligation to deliver or procure delivery to any Noteholder or Couponholder any letter, certificate, notice, circular, or any other document or payment (including any interest, dividend or any other distribution) in respect of any Reference Asset whatsoever received by the Issuer or any of its subsidiaries or affiliates or any such other entities in its capacity as the holder of such Reference Asset(s), (ii) any obligation to exercise or procure exercise of any or all rights attaching to such Reference Asset(s), or (iii) any liability to a Noteholder or Couponholder in respect of any loss or damage which such Noteholder or Couponholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as the legal owner of such Reference Asset(s).

In the case of Definitive Notes held outside of a Relevant Clearing System where Physical Settlement is applicable, the relevant Reference Assets (if any) shall be delivered to the Noteholder by the Delivery Agent on behalf of the Issuer.

(5) *Settlement Disruption*

If, in the opinion of the Calculation Agent, delivery of the Physical Delivery Amount using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event having occurred and continuing on the Delivery Date, then the Delivery Date shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering or procuring the delivery of the Physical Delivery Amount using such other commercially reasonable manner as it may select and in such event the Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of the Physical Delivery Amount in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Physical Delivery Amount, the Delivery Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Delivery Date. For so long as delivery of the Physical Delivery Amount is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof the Issuer may elect in its sole and absolute discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Disruption Cash Redemption Amount on the fifth Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 14. Payment of the Disruption Cash Redemption Amount will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14. The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 that a Settlement Disruption Event has occurred. No Noteholder shall be entitled to any payment in respect of the relevant Note in the event of any delay in the delivery of the Physical Delivery Amount due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, the Calculation Agent, or the Delivery Agent.

For the purposes hereof:

“Affiliate” means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person.

“Disruption Cash Redemption Amount”, in respect of any relevant Note, shall be the fair market value of such Note on the Delivery Date (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Physical Delivery Amount and such unaffected Relevant Assets have been duly delivered as provided above, the value of such Relevant Assets), adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its Affiliates of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of

any type whatsoever hedging the Issuer's obligations under the Notes), all as determined by the Calculation Agent in good faith and in a commercially reasonable manner;

“**Settlement Business Day**”, in respect of each Note, has the meaning specified in the applicable Final Terms relating to such Note; and

“**Settlement Disruption Event**” means, in the opinion of the Calculation Agent, an event beyond the control of the Issuer and/or its Affiliates as a result of which the Issuer cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

(6) *Failure to Deliver due to Illiquidity*

If “Failure to Deliver due to Illiquidity” is specified as applying in the applicable Final Terms and in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets (the “**Affected Relevant Assets**”) comprising the Physical Delivery Amount, where such failure to deliver is due to illiquidity in the market for the Relevant Assets (a “**Failure to Deliver**”), then:

- (i) subject as provided elsewhere in the Terms and Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Maturity Date in accordance with this Condition 5(h); and
- (ii) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Failure to Deliver Redemption Amount on the fifth Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 14. Payment of the Failure to Deliver Redemption Amount will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14. The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 that the provisions of this Condition 5(h)(A)(6) apply.

For the purposes hereof, “**Failure to Deliver Redemption Amount**” in respect of any relevant Note, shall be the fair market value of such Note on the Delivery Date (taking into account the value of the Relevant Assets comprising the Physical Delivery Amount which have been duly delivered as provided above, the value of such Relevant Assets), adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its Affiliates of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of any type whatsoever hedging the Issuer's obligations under the Notes), all as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

(B) *Variation of Settlement*

If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Notes, the Issuer may, in its sole and absolute discretion, in respect of each such Note, elect not to pay the relevant Noteholders the Final Redemption Amount or to deliver or procure delivery of the Physical Delivery Amount to the

relevant Noteholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Physical Delivery Amount or make payment of the Final Redemption Amount on the Maturity Date to the relevant Noteholders, as the case may be. Notification of such election will be given to Noteholders in accordance with Condition 14.

(C) *Issuer's Option to Substitute Assets or to Pay the Alternative Cash Redemption Amount*

Following a valid redemption of Notes in accordance with these Conditions, the Issuer may, in its sole and absolute discretion in respect of such Notes, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprises Shares which are not freely tradable, elect either (i) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in its sole and absolute discretion) of such other Shares which the Calculation Agent determines, in its sole and absolute discretion, are freely tradable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (ii) not to deliver or procure the delivery of the Physical Delivery Amount or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Noteholders, but in lieu thereof to make payment to the relevant Noteholder on the Settlement Date of an amount equal to the fair market value of the Physical Delivery Amount on the Delivery Date adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its Affiliates of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of any type whatsoever hedging the Issuer's obligations under the Notes) as determined by the Calculation Agent in good faith and in a commercially reasonable manner (the "**Alternative Cash Redemption Amount**"). Notification of any such election will be given to Noteholders in accordance with Condition 14.

For purposes hereof, a "**freely tradable**" Share shall mean (i) with respect to the United States, a share which is registered under the Securities Act or not a "restricted security" as defined in Rule 144 of the Securities Act of 1933, as amended (the "**Securities Act**") and which is not purchased from the issuer of such share and not purchased from an Affiliate of the issuer of such share or which otherwise meets the requirements of a freely tradable share for purposes of the Securities Act, in each case, as determined by the Calculation Agent in its sole and absolute discretion or (ii) with respect to any other jurisdiction, a share not subject to any legal restrictions on transfer in such jurisdiction, as determined by the Calculation Agent in its sole and absolute discretion.

(D) *Rights of Noteholders and Calculations*

None of the Issuer, the Calculation Agent, the Delivery Agent, or any of the other the Agents shall have any responsibility for any errors or omissions in the calculation of any Redemption Amount or of any Physical Delivery Amount.

The holding of Notes does not confer on any holder of such Notes any rights (whether in respect of voting, distributions, or otherwise) attaching to any Relevant Asset.

(i) ***Rounding***

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the relevant Final Terms), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest sub-unit of such currency (with halves being rounded up), except in the case of Japanese yen, which shall be rounded down to the nearest Japanese yen.

6. **Redemption and Purchase**

(a) ***At Maturity***

Unless previously redeemed or purchased and cancelled as specified below, the Issuer will redeem each Note at an amount (the “**Final Redemption Amount**” (or, in the case only of Physical Delivery Notes, by delivery of the Physical Delivery Amount (as provided in Condition 5(h) above))) specified in, or determined in the manner specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

For the purposes of these Terms and Conditions, “**Redemption Amount**” shall mean the Final Redemption Amount, Disruption Cash Redemption Amount, Failure to Deliver Redemption Amount, Alternative Cash Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Minimum Redemption Amount, Higher Redemption Amount (each as defined below), or any other amount specified in the applicable Final Terms as being the amount for which the Notes are to be redeemed, as the context may require.

(b) ***Redemption for Tax Reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Fixed-Rate Notes) or on any Interest Payment Date (in the case of Notes other than Fixed-Rate Notes), on giving not less than 30 nor more than 60 calendar days’ notice (which notice shall be irrevocable) to the Principal Agent and to the Noteholders, in accordance with Condition 14, if:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obligated to pay Additional Amounts as discussed in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the United States or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and

- (ii) the Issuer cannot avoid such obligation by taking reasonable measures available to it,

provided that no such redemption notice shall be given earlier than 90 calendar days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts if a payment in respect of the Notes were then due. Prior to the publication of any redemption notice pursuant to this Condition 6(b), the Issuer shall deliver a certificate to the Principal Agent signed by the Chief Financial Officer or an Authorized Officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent, if any, to the redemption have occurred. For the purposes of this paragraph, “**Authorized Officer**” means, with respect to the Issuer, the Chief Executive Officer, the Chief Financial Officer, the Treasurer, or any Senior Vice

President of the Issuer or any other person who is duly authorized to act for the Issuer in matters relating to, and binding upon, the Issuer.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in Condition 6(f) below together (if appropriate) with interest accrued to (but excluding) the date fixed for redemption.

(c) ***Special Tax Redemption***

If the Issuer determines that any payment made outside the United States by the Issuer or any of its Paying Agents in respect of any Note (other than in respect of a Registered Note) or Coupon, under any present or future laws or regulations of the United States, would be subject to any certification, documentation, information, or other reporting requirement of any kind the effect of which is the disclosure to the Issuer, any Paying Agent, or any governmental authority of the nationality, residence, or identity of a beneficial owner of such Note or Coupon who is a United States Alien (as defined herein) (other than a requirement (1) that would not be applicable to a payment by the Issuer or any one of the Paying Agents (x) directly to the beneficial owner, or (y) to a custodian, nominee, or other agent of the beneficial owner, (2) that can be satisfied by such custodian, nominee, or other agent certifying to the effect that the beneficial owner is a United States Alien, provided that, in any case referred to in Clauses (1)(y) or (2), payment by the custodian, nominee, or agent to the beneficial owner is not otherwise subject to any such requirement, or (3) that would not be applicable to a payment by at least one Paying Agent of the Issuer), the Issuer shall at its option either:

- (i) redeem the Notes in whole, but not in part, at any time (in the case of Fixed-Rate Notes) or on any Interest Payment Date (in the case of Notes other than Fixed-Rate Notes), at a price equal to the Early Redemption Amount referred to in Condition 6(f) below, together with, if appropriate, interest accrued to but excluding the date fixed for redemption; or
- (ii) if the conditions of the second succeeding paragraph are satisfied, pay the Additional Amounts specified in such paragraph.

The Issuer shall make its determination as soon as practicable and publish prompt notice thereof (the “**Determination Notice**”) stating the effective date of its certification, documentation, information, or other reporting requirement, whether the Issuer will redeem the Notes or pay the Additional Amounts specified in the next succeeding paragraph, and (if applicable) the last date by which the redemption of the Notes must take place, as provided in the next succeeding sentence. If the Notes are to be redeemed pursuant to this Condition 6(c), that redemption shall take place on such date, not later than one year after the publication of the Determination Notice, as the Issuer shall elect by notice to the Principal Agent at least 45 calendar days before the redemption date. Notice of such redemption of the Notes will be given to the Noteholders not more than 60 nor less than 30 calendar days prior to the redemption date by publication in accordance with Condition 14. Notwithstanding the foregoing, the Issuer shall not redeem the Notes if the Issuer shall subsequently determine not less than 30 calendar days prior to the redemption date, that subsequent payments on the Notes and Coupons would not be subject to any such certification, documentation, information, or other reporting requirement, in which case the Issuer shall give prompt notice of its subsequent determination by publication in accordance with Condition 14 and any earlier redemption notice shall be revoked and of no further effect.

Notwithstanding the foregoing, if and so long as the certification, documentation, information, or other reporting requirement referred to in the second preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Issuer may elect to pay as additional interest such Additional Amounts as may be necessary so that every net payment made outside the United States following the effective date of that requirement by the Issuer or any of its Paying Agents in respect of any

Note or any Coupon of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence, or identity, other than status as a United States Alien, of such beneficial owner be disclosed to the Issuer, any Paying Agent, or any governmental authority), after deduction or withholding for or on account of that backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (1) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the preceding paragraph or (2) is imposed as a result of the presentation of the Note or Coupon for payment more than 15 calendar days after the date on which that payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount provided for in the Note or Coupon to be then due and payable. If the Issuer elects to pay Additional Amounts pursuant to this paragraph, the Issuer shall have the right to redeem the Notes in whole, but not in part, at any time (in the case of Notes other than Fixed-Rate Notes) or on any Interest Payment Date (in the case of Notes other than Fixed-Rate Notes), subject to the provisions of the last two sentences of the immediately preceding paragraph. If the Issuer elects to pay Additional Amounts pursuant to this paragraph and the condition specified in the first sentence of this paragraph should no longer be satisfied, then the Issuer shall redeem the Notes pursuant to the provisions of the immediately preceding paragraph.

For purposes of this Condition 6(c), the terms “**Additional Amounts**” and “**United States Alien**” have the meanings given in Condition 8.

The requirement under these Terms and Conditions that a Noteholder submit an Asset Transfer Notice or Put Notice disclosing certain information with respect to the Noteholder and the requirement that the Noteholder and each legal or beneficial owner, as a condition to purchasing a Note, make certain representations and agreements as to its status as a U.S. person and other matters, are not requirements as to which the provisions of this Condition 6(c) apply. In addition, in the case of Definitive Notes which are not held through a Relevant Clearing System and in the case of Non-Principal Protected Notes, if this Condition 6(c) would otherwise apply to the Notes, the Issuer shall have the option to redeem the Definitive Notes in the manner set forth in the third preceding paragraph, but shall not be required to redeem the Definitive Notes or pay any Additional Amounts.

Whenever any Additional Amounts are to be paid on Notes or Coupons, the Issuer will give notice to the Agent, the Registrar and the other Paying Agents, as provided in the Agency Agreement.

(d) *Call Option-Redemption at the Option of the Issuer (Issuer Call Option)*

If the applicable Final Terms specify that the Issuer has an option to redeem the Notes, and the Issuer gives:

- (i) not less than 30 nor more than 60 calendar days’ notice in accordance with Condition 14 to the Noteholders (or such other period as is specified in the applicable Final Terms); and
- (ii) not less than seven London Business Days (as defined in Condition 4(b)(v)) (or such other period as is specified in the applicable Final Terms) before giving notice as referred to in (i), notice to the Principal Agent;

(both of which notices shall be irrevocable), then the Issuer may redeem all or a portion of the Notes then outstanding on the dates upon which redemption may occur (each, an “**Optional Redemption Date**”) and at the Optional Redemption Amounts specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Dates. Any redemption must be of a principal amount equal to the minimum principal amount of the Notes permitted to be redeemed at any time (the “**Minimum Redemption Amount**”) or any greater principal amount of the Notes permitted to be redeemed at any time (each, a “**Higher Redemption Amount**”), both as indicated in the applicable Final Terms. In the case of a partial redemption of Notes,

the Notes to be redeemed (“**Redeemed Notes**”) will be selected individually by lot, in the case of Redeemed Notes represented by Bearer Definitive Notes or Registered Definitive Certificates, and in accordance with the rules of the Relevant Clearing Systems (to be reflected in the records of the Relevant Clearing Systems as either a pool factor or a reduction in nominal amount, at their discretion), in the case of Redeemed Notes represented by a Bearer Global Note or a Registered Global Certificate, not more than 60 calendar days prior (or such other period as is specified in the applicable Final Terms) to the date fixed for redemption (the “**Selection Date**”). In the case of Redeemed Notes represented by Bearer Definitive Notes or Registered Definitive Certificates, a list of the serial numbers of the Redeemed Notes will be published in accordance with Condition 14 not less than 30 calendar days prior (or any other period as is specified in the applicable Final Terms) to the date fixed for redemption. The aggregate principal amount of Redeemed Notes represented by Bearer Definitive Notes or Registered Definitive Certificates shall bear the same proportion to the aggregate principal amount of all Redeemed Notes as the aggregate principal amount of Bearer Definitive Notes or Registered Definitive Certificates outstanding bears to the aggregate principal amount of the Notes outstanding, in each case on the Selection Date, provided that the first mentioned principal amount, if necessary, shall be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate principal amount of Redeemed Notes represented by a Bearer Global Note or a Registered Definitive Certificate shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Bearer Global Note or a Registered Definitive Certificate will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this Condition 6(d) and the Issuer shall give notice to that effect to the Noteholders in accordance with Condition 14 at least 10 calendar days prior (or any other period as is specified in the applicable Final Terms) to the Selection Date.

(e) ***Put Option-Redemption at the Option of the Noteholders (Investor Put Option)***

If the applicable Final Terms specify that the Noteholders have an option to redeem the Notes, upon the Noteholder giving the Issuer, in accordance with Condition 14, not less than 30 nor more than 60 calendar days’ notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer, upon the expiration of such notice, will redeem (in accordance with the terms specified in the applicable Final Terms) in whole (but not in part), such Notes on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise such option or any other Noteholders’ option that may be set out in the applicable Final Terms, the Noteholder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent outside the United States, or (in the case of Registered Notes) the Registered Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, during normal business hours of such Paying Agent, Registrar or Transfer Agent falling within the notice period, together with a duly signed and completed option exercise notice in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (the “**Put Notice**”) in which the Noteholder must specify a bank account (or, if payment is by check, an address) to which payment is to be made under this Condition 6(e).

(f) ***Early Redemption Amounts***

For purposes of Condition 6(b) and 6(c) above and Condition 10, the Notes will be redeemed at the Early Redemption Amount calculated as follows, together, if appropriate, with interest accrued to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable prior to the Maturity Date:

- (i) in the case of a Note (other than a Zero Coupon Note, a Dual Currency Note, an Index Linked Redemption Note, a Share Linked Redemption Note, an Inflation Linked Redemption Note, a Commodity Linked Redemption Note, an FX Linked Redemption Note, a Hybrid Redemption Note, or an other Underlying Asset(s) Redemption Note) with a Final Redemption Amount equal to 100 per cent. of its outstanding principal amount at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than those described in Condition 6(f)(i) above or Condition 6(f)(iii) below), the Early Redemption Amount payable (subject to Condition 6(l) if applicable) shall be the amount determined in good faith and in a commercially reasonable manner by the Calculation Agent to be the fair market value of the Notes immediately prior to (and ignoring the circumstances leading to) such early redemption, adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its Affiliates of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of any type whatsoever hedging the Issuer's obligations under the Notes), unless otherwise specified in the applicable Final Terms; or
- (iii) in the case of a Zero Coupon Note, which is not a Dual Currency Note, an Index Linked Redemption Note, a Share Linked Redemption Note, an Inflation Linked Note, a Commodity Linked Redemption Note, an FX Linked Redemption Note, a Hybrid Redemption Note, or an other Underlying Asset(s) Redemption Note, at an amount (the "**Amortized Face Amount**") equal to:
 - (A) the sum of (1) the Reference Price specified in the applicable Final Terms multiplied by the face amount of the Note (the "**Reference Price Amount**") and (2) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price Amount from (and including) the Issue Date to (but excluding) the date fixed for redemption or the date upon which such Note becomes due and repayable (as the case may be); or
 - (B) if the amount payable with respect to any Zero Coupon Note upon redemption pursuant to Condition 6(b), (c), (d), or (e) above or upon its becoming due and repayable as provided in Condition 10 is not paid or available for payment when due, the amount due and repayable with respect to such Zero Coupon Note shall be the Amortized Face Amount of such Zero Coupon Note calculated as provided above as though the references in sub-paragraph (A) to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date (the "**Reference Date**") which is the earlier of:
 - (1) the date on which all amounts due with respect to the Note have been paid; or
 - (2) the date on which the full amount of the monies repayable has been received by the Agent and notice to that effect has been given in accordance with Condition 14.

The calculation of the Amortized Face Amount in accordance with this sub-paragraph (B) will continue to be made, before, as well as, after judgment, until the Reference Date, unless the Reference Date falls on or after the Maturity Date, in which case the amount due and repayable shall be the principal amount of such Note together with interest at a rate per annum equal to the Accrual Yield.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made on the basis of a 360-day year consisting of 12 months of 30 calendar days each and, in the case of an incomplete month, the actual number of days elapsed or such other calculation basis as may be specified in the applicable Final Terms.

(g) ***Installment Notes; Amortizing Notes***

If the Notes are Installment Notes, they will be redeemed in the Installment Amounts and on the date on which each installment is repayable (each, an “**Installment Date**”) as specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 6(f) above. If the Notes are Amortizing Notes, they will be redeemed in the amounts and on the dates set forth on the Amortization Table specified in the applicable Final Terms.

(h) ***Partly Paid Notes***

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption, or otherwise, in accordance with the provisions of this Condition 6 and the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 6(f) above by reference to the amount paid with respect to such Notes.

(i) ***Dual Currency Notes, Index Linked Redemption Notes, Share Linked Redemption Notes, Inflation Linked Redemption Notes, Commodity Linked Redemption Notes, FX Linked Redemption Notes, Hybrid Redemption Notes, and other Underlying Asset(s) Redemption Notes***

If the Notes are Dual Currency Notes, Index Linked Redemption Notes, Share Linked Redemption Notes, Inflation Linked Redemption Notes, Commodity Linked Redemption Notes, FX Linked Redemption Notes, Hybrid Redemption Notes, or other Underlying Asset(s) Redemption Notes, they will be redeemed, whether at maturity, early redemption, or otherwise, in accordance with the provisions of this Condition 6 and the applicable Final Terms.

(j) ***Repurchases***

The Issuer and/or any of its Affiliates may at any time repurchase Notes (provided that, in the case of Bearer Definitive Notes, all unmatured Receipts and Coupons attached thereto are repurchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold, or surrendered to any Paying Agent for cancellation, provided that any such Notes reissued or resold comply with the selling restrictions set forth in United States Treasury Regulation Section 1.163-5 as if they were newly issued.

(k) ***Cancellation***

All Notes which are redeemed will be cancelled (together with, in the case of Bearer Notes, all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption) in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to any Paying Agent and, in the case of Registered Notes, by surrendering the Registered Certificate representing such Registered Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Bearer Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 6(j) above (together with, in the case of Bearer Notes, all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Principal Agent and cannot be reissued or resold.

(1) ***Principal Protected Notes***

In the case of all Notes which the applicable Final Terms specify to be “Principal Protected”, notwithstanding anything to the contrary, the amount of cash and fair market value of property delivered at maturity or upon early redemption will not be less than the Specified Denomination of such Note.

7. **Redenomination**

If the applicable Final Terms permits redenomination, Notes denominated in a currency that may be redenominated into euro, at the election of the Issuer, may be subject to redenomination in the manner set out below. In relation to such Notes, the Issuer, without the consent of the Noteholders, Receiptholders, or Couponholders, on giving at least 30 calendar days’ prior notice to Noteholders, Receiptholders, Couponholders, the Principal Agent and the Relevant Clearing Systems in accordance with Condition 14, may designate a “**Redenomination Date**” for the Notes, being (in the case of interest-bearing Notes) a date for payment of interest under the Notes (or in the case of Zero Coupon Notes, any date), in each case specified by the Issuer in the notice given pursuant to this paragraph and falling on or after the date on which the relevant member state commences participation in the third stage of European Economic and Monetary Union pursuant to the EC Treaty and which falls before the date on which the currency ceases to be a sub-division of the euro. Notwithstanding the foregoing, Bearer Notes will not be redenominated at the election of the Issuer pursuant to this Condition 7 unless the Issuer receives an opinion of United States tax counsel recognized as an expert in such matters that the Notes would be in compliance with United States Treasury Regulation Section 1.163-5(c)(2)(i)(D) after such redenomination.

Beginning on the Redenomination Date, notwithstanding the other provisions of the Terms and Conditions:

- (i) the Notes and the Receipts shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note and Receipt in the Specified Currency, converted into euro at the rate for conversion established by the Council of the European Union pursuant to the EC Treaty (including compliance with rules relating to rounding in accordance with European Community regulations) provided that, if the Issuer determines, with the agreement of the Agent (which agreement shall not be unreasonably withheld), that the then market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, any stock exchange on which the Notes may be listed, and any Paying Agent of such deemed amendment;
- (ii) if Definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of €50,000, and such other denominations as the Principal Agent determines and gives notice of to the Noteholders;
- (iii) if Bearer Definitive Notes have been issued prior to the Redenomination Date, all unmatured Receipts and Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void from the date on which the Issuer gives the notice (the “**Exchange Notice**”) that replacement euro-denominated Notes, Receipts, and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued also will become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New certificates in respect of euro-denominated

Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Principal Agent may specify and shall be stated to Noteholders in the Exchange Notice;

- (iv) after the Redenomination Date, all payments in respect of the Notes (other than payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro, unless the Redenomination Date is on or after such date as the Specified Currency ceases to be a sub-division of the euro. Such payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee;
- (v) the amount of interest in respect of Notes will be calculated by reference to the aggregate nominal amount of Bearer Definitive Notes presented (or, as the case may be, in respect of which Receipts or Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01; and
- (vi) if the Notes are Notes other than Fixed-Rate Notes, Zero Coupon Notes or other non-interest bearing Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest.

In connection with such redenomination, the Issuer, after consultation with the Principal Agent, may make such other changes to the Terms and Conditions applicable to the relevant Notes, including, without limitation, with respect to any Business Day, Fixed Day Count Fraction, Floating Day Count Fraction, or other conventions as it may decide, so as to conform them to the then market practice in respect of euro-denominated debt securities issued in the Euromarkets, which are held in international clearing systems. Any such changes will not take effect until the next following Interest Payment Date after the Noteholders have been given notice in accordance with Condition 14.

The circumstances and consequences described in this Condition 7 and any resulting amendment to the Terms and Conditions of the Notes will not entitle any Noteholder (a) to any legal remedy, including, without limitation, redemption, rescission, notice, repudiation, adjustment, or renegotiation of the Notes, or (b) to raise any defense or make any claim (including, without limitation, claims of breach, force majeure, frustration of purpose, or impracticability) or any other claim for compensation, damages, or any other relief.

8. Taxation

The Issuer will pay a United States Alien such additional amounts of interest (“**Additional Amounts**”) as may be necessary so that every net payment of the principal of and interest on any Note or any Coupon appertaining thereto, after deduction or withholding for or on account of any present or future tax, assessment, or other governmental charge imposed upon such holder by the United States or any political subdivision or taxing authority thereof or therein (other than any territory or possession) upon or as a result of such payment, will not be less than the amount provided for in such Note and the coupons appertaining thereto; provided, however, that the foregoing obligation to pay Additional Amounts shall not apply to:

- (a) any tax, assessment, or other governmental charge which would not have been so imposed but for:
 - (i) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member, or stockholder of, or a person holding a power over, such holder, if such holder is an estate, trust, partnership, or corporation) and the United States or any of its possessions, including, without limitation, such holder (or

- such fiduciary, settlor, beneficiary, member, stockholder, or person holding a power) being or having been a citizen or resident or treated as a resident thereof or being or having been engaged in a trade or business therein or being or having been present therein or having or having had a permanent establishment therein or having or having had a qualified business unit which has the U.S. Dollar as its functional currency;
- (ii) such holder's present or former status as a personal holding company, foreign personal holding company, passive foreign investment company, private foundation, or other tax-exempt entity, or controlled foreign corporation for United States tax purposes or a corporation which accumulates earnings to avoid United States federal income tax; or
 - (iii) such holder's status as a bank extending credit pursuant to a loan agreement entered into in the ordinary course of business;
- (b) any tax, assessment, or governmental charge that would not have been so imposed but for the failure of the holder to comply with certification, identification, or information reporting requirements under United States income tax laws, without regard to any tax treaty, with respect to the payment, concerning the nationality, residence, identity, or connection with the United States or any of its possessions of the holder or a beneficial owner of such Note or Coupon, if such compliance is required by United States income tax laws, without regard to any tax treaty, as a precondition to relief or exemption from such tax, assessment, or governmental charge;
 - (c) any tax, assessment, or governmental charge that would not have been so imposed but for the presentation by the holder of such Note or Coupon for payment on a date more than 30 calendar days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
 - (d) any estate, inheritance, gift, sales, transfer, excise, wealth, or personal property tax or any similar tax, assessment, or governmental charge;
 - (e) any tax, assessment, or governmental charge which is payable otherwise than by withholding by the Issuer or a Paying Agent from the payment of the principal of or interest on any Note or Coupon;
 - (f) any tax, assessment, or governmental charge imposed solely because the payment is to be made by a particular Paying Agent or a particular office of a Paying Agent and would not be imposed if made by another Agent or by another office of this Agent;
 - (g) any tax, assessment, or other governmental charge imposed on interest received by a person holding, actually or constructively, 10.00 per cent. or more of the total combined voting power of all classes of stock of the Issuer entitled to vote;
 - (h) any withholding or deduction imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC (the "**Directive**") or any law implementing or complying with, or introduced in order to conform to, such Directive;
 - (i) any tax, assessment, or other government charge imposed on a payment of principal or interest (or any other payment) on any Note which is (i) a Dual Currency Note or (ii) a Non-Principal Protected Note which is an Index Linked Note, Share Linked Note, Inflation Linked Note, Commodity Linked Note, FX Linked Note, Hybrid Note, Physical Delivery Note, or Note linked to other Underlying Asset(s), unless in each case the applicable Final Terms expressly provide that the Issuer will pay Additional Amounts with respect to such Note;

- (j) any tax, assessment, or other government charge imposed on a payment of principal or interest (or any other payment) on any Principal Protected Note which is an Index Linked Note, Share Linked Note, Inflation Linked Note, Commodity Linked Note, FX Linked Note, Hybrid Note, Physical Delivery Note, or Note linked to other Underlying Asset(s), if in each case the applicable Final Terms expressly provide that the Issuer will not pay Additional Amounts with respect to such Note;
- (k) any Note presented for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union; or
- (l) any combination of items (a) through (k),

nor shall Additional Amounts be paid with respect to any payment of the principal of or interest on any Note or Coupon to a person other than the sole beneficial owner of such payment or that is a partnership or fiduciary to the extent either (i) such beneficial owner, member of such partnership or beneficiary or settlor with respect to such fiduciary would not have been entitled to the payment of Additional Amounts had such beneficial owner, member, beneficiary, or settlor been the Noteholder or Couponholder, or (ii) the Noteholder does not provide a statement, in the form, manner, and time required by applicable United States income tax laws, from such beneficial owner, member of such partnership or beneficiary or settlor with respect to such fiduciary concerning its nationality, residence, identity, or connection with the United States.

“**United States Alien**” means any corporation, partnership, entity, individual, or fiduciary that is for United States federal income tax purposes (1) a foreign corporation, (2) a foreign partnership to the extent one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual, or a foreign estate or trust, (3) a non-resident alien individual, or (4) a foreign estate or trust.

Except as specifically provided herein and in the Agency Agreement, the Issuer shall not be required to make any payment with respect to any tax, assessment, or other governmental charge imposed by any government or any political subdivision or taxing authority thereof or therein.

Whenever any Additional Amounts are to be paid on Notes or Coupons, the Issuer will give notice to the Principal Agent and the other Paying Agents, as provided in the Agency Agreement.

9. **Prescription**

The Notes, Receipts, and Coupons will become void unless presented for payment within a period of five years after the date on which such payment first becomes due (the “**Relevant Date**”). However, if the full amount of the money payable has not been duly received by the Principal Agent or other relevant Paying Agent on or prior to the Relevant Date, then the Relevant Date shall mean the date on which, after the full amount of such money has been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

No Coupon sheet issued upon exchange of a Talon shall include a Coupon on which the claim for payment would be void pursuant to this Condition 9 or Condition 5(d) or any Talon which would be void pursuant to Condition 5(d).

10. Events of Default

(a) *Events of Default in Relation to Senior Notes*

The occurrence of any of the following events with respect to any Series of Senior Notes shall constitute an “**Event of Default**” with respect to such Series:

- (i) the Issuer shall fail to pay the principal amount or Physical Delivery Amount (if any) of any of such Senior Notes when due whether at maturity or upon early redemption or otherwise; or
- (ii) the Issuer shall fail to pay any installment of interest, other amounts payable, or Additional Amounts on any of such Senior Notes for a period of 30 calendar days after the due date; or
- (iii) the Issuer shall fail duly to perform or observe any other term, covenant, or agreement applicable to such Senior Notes contained in any of such Senior Notes or in the Agency Agreement for a period of 90 calendar days after the date on which written notice of such failure, requiring the Issuer to remedy the same, shall first have been given to the Issuer and the Principal Agent by the Noteholders of at least 33.00 per cent. in aggregate principal amount of such Senior Notes at the time outstanding; provided, however, that in the event the Issuer within the aforesaid period of 90 calendar days shall commence legal action in a court of competent jurisdiction seeking a determination that the Issuer had not failed duly to perform or observe the term or terms, covenant or covenants, or agreement or agreements specified in the aforesaid notice, such failure shall not be an Event of Default unless the same continues for a period of ten calendar days after the date of any final determination to the effect that the Issuer had failed to duly perform or observe one or more of such terms, covenants, or agreements; or
- (iv) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Issuer in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganization, or other similar law now or hereafter in effect, or appointing a receiver, liquidator, conservator, assignee, custodian, trustee, sequestrator (or similar official) of the Issuer or for any substantial part of its property or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 60 consecutive calendar days; or
- (v) the Issuer shall commence a voluntary case or proceeding under any applicable bankruptcy, insolvency, liquidation, receivership, reorganization, or other similar law now or hereafter in effect, or shall consent to the entry or an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, conservator, assignee, trustee, custodian, sequestrator (or similar official) of the Issuer or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due or shall take any corporate action in furtherance of any of the foregoing.

(b) *Events of Default in Relation to Subordinated Notes*

The occurrence of any of the following events with respect to any Series of Subordinated Notes shall constitute an “**Event of Default**” with respect to such Series:

- (i) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Issuer in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganization, or other similar law now or hereafter in effect, or appointing a receiver,

liquidator, conservator, assignee, custodian, trustee, sequestrator (or similar official) of the Issuer or for any substantial part of its property or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 60 consecutive calendar days; or

- (ii) the Issuer shall commence a voluntary case or proceeding under any applicable bankruptcy, insolvency, liquidation, receivership, reorganization, or other similar law now or hereafter in effect, or shall consent to the entry or an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, conservator, assignee, trustee, custodian, sequestrator (or similar official) of the Issuer or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due or shall take any corporate action in furtherance of any of the foregoing.

(c) ***Acceleration of Notes, Notices, Certain Calculations, and Amounts to be Paid***

If an Event of Default shall occur and be continuing with respect to any Series of Notes, then the holder of any Notes of the applicable Series, at such holder's option, by written notice to the Issuer and the Principal Agent, may declare the principal of such Note, the interest accrued, or any other amounts then payable thereon (and Additional Amounts, if any, thereon) to be due and payable immediately and if any such Event of Default shall continue at the time of receipt of such written notice, such amounts shall become immediately due and payable, subject to the qualification in bold-type immediately below. Upon payment of such amount of principal, interest, or any other amounts payable (and Additional Amounts, if any), all of the Issuer's obligations in respect of payment of principal of, interest, or any other amounts payable (and Additional Amounts, if any) on such Note shall terminate. Interest on overdue principal, interest, or any other amounts payable (and Additional Amounts, if any) shall accrue from the date on which such principal, interest, or any other amounts payable (and Additional Amounts, if any) were due and payable to the date such principal, interest, or any other amounts payable (and Additional Amounts, if any) are paid or duly provided for, at the rate borne by the Notes (to the extent payment of such interest shall be legally enforceable).

Payment of principal, the interest accrued, or any other amounts then payable thereon (and Additional Amounts, if any) of the Subordinated Notes may not be accelerated in the case of a default in the payment of principal, interest, or any other amounts then payable or the performance of any other covenant of the Issuer. Payment of the principal, the interest accrued, or any other amounts then payable thereon (and Additional Amounts, if any) of the Subordinated Notes may be accelerated only in the case of the bankruptcy or insolvency of the Issuer.

If an Event of Default with respect to the Notes, or an event which, with the passing of time or the giving of notice, or both, would be an Event of Default, shall occur and be continuing, the Issuer shall notify the Principal Agent in writing of such Event of Default no later than the following Business Day after it becomes aware of such Event of Default, and the Principal Agent thereupon promptly shall notify all of the relevant Noteholders of such Event of Default.

For purposes of Condition 10(a)(iii) above, any indebtedness which is in a currency other than U.S. Dollars shall be translated into U.S. Dollars at the "spot" rate for the sale of U.S. Dollars against the purchase of the Specified Currency as quoted by the Principal Agent on the calendar day in London corresponding to the calendar day on which such premature repayment becomes due or, as the case may be, such default occurs (or, if for any reason such a rate is not available on that day, on the earliest possible date thereafter).

If any Note shall become so repayable, it shall be repaid at its Early Redemption Amount (as defined in Condition 6(f)) together, if appropriate, with accrued interest thereon, such interest to accrue and be paid in accordance with Condition 4.

11. Replacement of Notes, Receipts, Coupons, and Talons

Should any Note (including any Registered Certificate representing such Registered Note), Receipt, Coupon, or Talon be lost, stolen, mutilated, defaced, or destroyed, it may be replaced at the specified office of the Principal Agent in London (or such other place outside the United States and its possessions as may be notified to Noteholders) (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Registered Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons, or Talons must be surrendered before replacements will be issued.

12. Agent and Paying Agents

Bank of America, N.A., London Branch of 5 Canada Square, London E14 5AQ, United Kingdom shall be the initial Principal Agent. Merrill Lynch International Bank Limited of Dublin Road, Carrick on Shannon, Ireland shall be the Registrar and Transfer Agent.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent, the Registrar, or Transfer Agent and to appoint an alternative Principal Agent or other Paying Agents, Registrars, or Transfer Agents and approve any change in the specified office through which any Paying Agent, Registrar or Transfer Agent acts, provided that:

- (a) so long as the Notes are listed on any stock exchange, 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;
- (b) there will at all times be a Paying Agent with a specified office in a city in continental Europe;
- (c) there will at all times be a Principal Agent;
- (d) the Issuer will maintain a Paying Agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to the Directive (as defined in Condition 8) or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (e) there will at all times be a Transfer Agent and a Registrar with a specified office in continental Europe (outside the United Kingdom).

In addition, the Issuer shall immediately appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(c). Any variation, termination, appointment, or change shall take effect only (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 calendar days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

13. Exchange of Talons

On and after the Fixed Interest Payment Date or the Interest Payment Date, as appropriate, on which the final Coupon comprised in any Coupon sheet matures, the Talon, if any, forming part of such Coupon sheet, may be surrendered at the specified office of the Principal Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon, for purposes of these Terms and Conditions, shall be deemed to mature on the Fixed Interest Payment Date or the Interest Payment Date (as the case may be) on which the final Coupon comprised in the relative Coupon sheet matures.

14. Notices

Notices to the holders of Registered Notes shall be (i) mailed to them (or, in the case of joint holders, to the first named) at their respective addresses in the Register and (ii) save where another means of effective communication has been specified herein or in the Final Terms, published (a) in the case of any Registered Notes which are admitted to trading on the London Stock Exchange's Regulated Market (so long as the rules of that exchange so require), in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*), or if such publication is not practicable, if published in a leading English language daily newspaper having general circulation in Europe, or (b) in the case of Registered Notes which are admitted to listing, trading, and/or quotation by any other listing authority, stock exchange, and/or quotation system (so long as the rules of such listing authority, stock exchange, and/or quotation system so require), in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*) and in such other place or manner as may be required by the rules and regulations of such listing authority, stock exchange, and/or quotation system.

Notices to the holders of Registered Notes shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or Sunday) after the later of the date of mailing and (if applicable) the date of publication (or if required to be published in more than one newspaper, the first date on which publication shall have been made in all required newspapers).

Notices to the holders of Bearer Notes shall be, save where another means of effective communication has been specified herein or in the Final Terms, published in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*) or if such publication is not practicable, if published in a leading English language daily newspaper having general circulations in Europe provided that (a) in the case of any Bearer Notes which are admitted to trading on the London Stock Exchange's Regulated Market (so long as the rules of that exchange so require), in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*), or if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe, or (b) in the case of Bearer Notes which are admitted to listing, trading, and/or quotation by any other listing authority, stock exchange, and/or quotation system (so long as the rules of such listing authority, stock exchange, and/or quotation system so require), in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*) and in such other place as may be required by the rules and regulations of such listing authority, stock exchange, and/or quotation system.

Notices to the holders of Bearer Notes shall be deemed to have been given on the date of publication (or if required to be published in more than one newspaper, the first date on which publication shall have been made in all required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 14.

For so long as the Global Notes are held in their entirety on behalf of the Relevant Clearing Systems and until such time as any Definitive Notes are issued, if any are issued, there may be substituted for such publication in such newspaper the delivery of the relevant notice to the Relevant Clearing Systems for communication by them to the Noteholders and, in addition, so long as the Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, notices will be published in a daily newspaper of general circulation in a place or places required by those rules. Any such notice to the Relevant Clearing Systems shall be deemed to have been given to Noteholders on the seventh day after the day on which that notice was given to the Relevant Clearing Systems.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the related Note or Notes, with the Principal Agent. While any of the Notes are represented by a Global Note, that notice may be given by any Noteholder to the Principal Agent through the Relevant Clearing Systems, in such manner as the Principal Agent and the Relevant Clearing Systems, may approve for this purpose.

15. Meetings of Noteholders, Modification, and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including approving by Extraordinary Resolution (as defined in the Agency Agreement), a modification of the Notes, the Receipts, the Coupons, or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than 33.00 per cent. in principal amount of the Notes of the relevant Series that at such time remain outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing a clear majority in principal amount of the Notes of the relevant Series that at such time remain outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts, or Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts, or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the Notes of the relevant Series that at such time remain outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all related Receiptholders and Couponholders.

Without the consent of the Noteholders, Receiptholders, or Couponholders, the Agent and the Issuer may agree to modifications of or amendments to the Agency Agreement, the Notes, the Receipts, or the Coupons for any of the following purposes:

- (a) to evidence the succession of another entity to the Issuer and the assumption by any such successor of the covenants of the Issuer in the Agency Agreement, the Notes, Receipts, or Coupons;
- (b) to add to the covenants of the Issuer for the benefit of the Noteholders, the Receiptholders, or the Couponholders, or to surrender any right or power herein conferred upon the Issuer;
- (c) to relax or eliminate the restrictions on payment of principal and interest in respect of the Notes, Receipts, or Coupons in the United States or its possessions, provided that such payment is permitted by United States tax laws and regulations then in effect and provided

that no adverse tax consequences would result to the Noteholders, the Receiptholders, or the Couponholders;

- (d) to cure any ambiguity, to correct or supplement any defective provision herein or any provision which may be inconsistent with any other provision herein;
- (e) to make any other provisions with respect to matters or questions arising under the Notes, the Receipts, the Coupons, or the Agency Agreement, provided such action pursuant to this subclause (e) shall not adversely affect the interests of the Noteholders, the Receiptholders, or the Couponholders;
- (f) to facilitate the issuance of Notes in accordance with the laws of a particular jurisdiction; and
- (g) to permit further issuances of Notes in accordance with the terms of the Program Agreement.

Any such modification or amendment shall be binding on the Noteholders, the Receiptholders, and the Couponholders and any such modification or amendment shall be notified to the Noteholders, the Receiptholders, or the Couponholders in accordance with Condition 14 as soon as practicable thereafter.

16. Merger, Consolidation, Sale, Conveyance and Assumption

Any entity into which the Principal Agent or any Agent may be merged or converted, or any entity with which the Principal Agent or any of the Principal Agents may be consolidated or any entity resulting from any merger, conversion, or consolidation to which the Principal Agent or any of the Agents shall be a party, or any entity to which the Principal Agent or any Agent shall sell or otherwise transfer all or substantially all the assets of the Principal Agent or any Agent shall become, on the date when such merger, conversion, consolidation, or transfer becomes effective and to the extent permitted by any applicable laws, the successor Principal Agent or, as the case may be, Agent under the Agency Agreement without the execution or filing of any paper or any further act on the part of the parties to the Agency Agreement, unless otherwise required by the Issuer, and after the effective date all references in the Agency Agreement to the Principal Agent or, as the case may be, such Agent shall be deemed to be references to such entity. Written notice of any such merger, conversion, consolidation, or transfer shall be given immediately to the Issuer by the relevant Principal Agent or Agent.

17. Additional Issuances

The Issuer from time to time without the consent of the relevant Noteholders, Receiptholders, or Couponholders may create and issue additional Series of Notes having terms and conditions the same as (or the same in all respects except for the Issue Date, Interest Commencement Date, and the Issue Price) Notes of an existing Series. These additional Notes shall be consolidated and form a single Series with the outstanding Notes of the existing Series.

18. Governing Law and Submission to Jurisdiction

The Agency Agreement, the Notes, and any Coupons, Receipts, and Talons appertaining to the Notes shall be governed by and construed in accordance with the laws of the State of New York, United States, applicable to agreements made and to be performed wholly within such jurisdiction without regard to principles of conflicts of laws.

The Issuer submits to the non-exclusive jurisdiction of any United States federal court sitting in New York City, the Borough of Manhattan, solely for purposes of any legal action or proceeding brought to enforce its obligations hereunder or under any Coupon, Receipt, or Talon. As long as any Note or Coupon remains outstanding, the Issuer shall either maintain an office or have an authorized agent in New

York City upon whom process may be served in any such legal action or proceeding. Service of process upon the Issuer at its office or upon such agents with written notice of such service mailed or delivered to the Issuer shall to the fullest extent permitted by applicable law be deemed in every respect effective service of process upon the Issuer in any such legal action or proceeding. The Issuer continues the appointment of CT Corporation System at 111 Eighth Avenue, New York, New York 10011 as its agent upon whom process may be served in any suit, action, or proceeding relating to or arising out of the Agency Agreement, the Notes or any Coupon, Receipt, or Talon appertaining hereto, and with a copy to the Issuer at Bank of America Corporation, Bank of America Corporate Center, NC1-007-07-13, 100 North Tryon Street, Charlotte, North Carolina 28255, Attn: Corporate Treasury – Governance and Control, and with an additional copy to Bank of America Corporation, Legal Department, NC1002-29-01, 101 South Tryon Street, Charlotte, North Carolina 28255-0065, Attn: General Counsel.

ANNEX 1

ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED NOTES

*The terms and conditions applicable to Index Linked Notes shall comprise the Terms and Conditions of the Notes and the additional Terms and Conditions set out below (the “**Index Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Terms and Conditions of the Notes and the Index Linked Conditions, the Index Linked Conditions shall prevail. In the event of any inconsistency between (i) the Terms and Conditions of the Notes and/or the Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Consequences of Disrupted Days

- 1.1 In relation to an Index or an Index Basket, the following provisions shall apply to each Reference Date (unless otherwise, and to the extent, specified in the applicable Final Terms):
- (i) where the Notes are specified in the applicable Final Terms to relate to a single Index, if the Calculation Agent determines that any Reference Date is a Disrupted Day, then the Reference Date for such Index shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day in respect of such Index, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption in respect of such Index immediately following the Scheduled Reference Date is a Disrupted Day. In that case:
 - (a) that last consecutive Scheduled Trading Day shall be deemed to be the Reference Date for such Index, notwithstanding the fact that such day is a Disrupted Day; and
 - (b) the Calculation Agent shall determine the Index Level of such Index as of the relevant Valuation Time on that last consecutive Scheduled Trading Day in accordance with the formula for and method of, calculating such Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the relevant Valuation Time on that last consecutive Scheduled Trading Day of each Component comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of any relevant Component on that last consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on that last consecutive Scheduled Trading Day) (and such determination by the Calculation Agent pursuant to this paragraph (b) shall be deemed to be the Index Level at the Valuation Time in respect of the relevant Reference Date); or
 - (ii) where the Notes are specified in the applicable Final Terms to relate to an Index Basket, then
 - (a) the Reference Date for each Index not affected by the occurrence of a Disrupted Day (as determined by the Calculation Agent) shall be the relevant Scheduled Reference Date, and (b) the Reference Date for each Index affected by the occurrence of a Disrupted Day (as determined by the Calculation Agent) shall be the first succeeding Scheduled Trading Day which the Calculation Agent determines is not a Disrupted Day relating to that Index, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day relating to that Index. In that case:

- (I) that last consecutive Scheduled Trading Day shall be deemed to be the Reference Date for such Index, notwithstanding the fact that such day is a Disrupted Day; and
 - (II) the Calculation Agent shall determine the Index Level of such Index as of the relevant Valuation Time on that last consecutive Scheduled Trading Day in accordance with the formula for and method of, calculating such Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the relevant Valuation Time on that last consecutive Scheduled Trading Day of each Component comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of any relevant Component on that last consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on that last consecutive Scheduled Trading Day) (and such determination by the Calculation Agent pursuant to this paragraph shall be deemed to be the Index Level at the Valuation Time in respect of the relevant Reference Date).
- 1.2 In relation to an Index or an Index Basket to which “Basket Valuation (Common Disrupted Day Roll)” is not specified to be applicable, if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day in respect of an Index and, if in the applicable Final Terms the consequence specified is:
- (i) “**Omission**”, then such Averaging Reference Date will be deemed not to be a relevant Averaging Reference Date for the purposes of determining the Index Level at the Valuation Time, provided that, if through the operation of this provision there would not be an Averaging Reference Date, then paragraph 1.1 of these Index Linked Conditions will apply *mutatis mutandis* for the purposes of determining the relevant Index Level at the Valuation Time on the final Averaging Reference Date, as if such Averaging Reference Date were a Reference Date that was a Disrupted Day;
 - (ii) “**Postponement**”, then paragraph 1.1 of these Index Linked Conditions will apply *mutatis mutandis* for the purposes of determining the Index Level at the Valuation Time on that Averaging Reference Date as if such Averaging Reference Date were a Reference Date that was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Averaging Reference Date would fall on a day that already is or is deemed to be an Averaging Reference Date; or
 - (iii) “**Modified Postponement**”, then:
 - (a) where the Notes are specified in the applicable Final Terms to relate to a single Index, the Averaging Reference Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the date which falls the number of consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Reference Date or Disrupted Day, would have been the final Averaging Reference Date, then (I) that last consecutive Scheduled Trading Day shall be deemed the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already an Averaging Reference Date), and (II) the Calculation Agent shall determine the Index Level at the Valuation Time for that Averaging Reference Date in accordance with paragraph 1.1(i)(b) of these Index Linked Conditions, which shall apply *mutatis mutandis* as if such Averaging Reference Date were a Reference Date; and

- (b) where the Notes are specified in the applicable Final Terms to relate to an Index Basket, (I) the Averaging Reference Date for each Index not affected by the occurrence of a Disrupted Day shall be the relevant Averaging Reference Date, and (II) the Averaging Reference Date for an Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index. If the first succeeding Valid Date has not occurred as of the Valuation Time on the date which falls the number of consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Reference Date or Disrupted Day, would have been the final Averaging Reference Date in relation to the relevant Scheduled Reference Date, then (y) that last consecutive Scheduled Trading Day shall be deemed the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already an Averaging Reference Date) in respect of such Index, and (z) the Calculation Agent shall determine the Index Level at the Valuation Time for that Averaging Reference Date in accordance with paragraph 1.1(i)(b) of these Index Linked Conditions, which shall apply *mutatis mutandis* as if such Averaging Reference Date were a Reference Date.

2. Market Disruption

- 2.1 In relation to Notes relating to a single Index or an Index Basket, the following terms and expressions shall have the following meanings:

“**Market Disruption Event**” means:

- (i) for any Standard Index, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of an Index exists at any time, if a Market Disruption Event occurs in respect of a Component included in the Index at any time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (y) the portion of the level of the Index attributable to that Component) and (z) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event;

- (ii) for any Composite Index:

Either:

- (a) (I) the occurrence or existence, in respect of any Component, of:
- (A) a Trading Disruption in respect of such Component, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded;
 - (B) an Exchange Disruption in respect of such Component, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; or
 - (C) an Early Closure in respect of such Component; and

- (II) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption, or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index; or
- (b) the occurrence or existence, in respect of any Component, of the occurrence or existence, in each case in respect of futures or options contracts relating to the Index, of (I) a Trading Disruption, or (II) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange, or (III) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of the Index at any time, if an Early Closure, an Exchange Disruption, or a Trading Disruption occurs in respect of a Component at that time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (y) the portion of the level of the Index attributable to that Component and (z) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market “opening data”; or

- (iii) for any Proprietary Index, the failure by the Index Sponsor to calculate and publish the level of the Index on any Scheduled Trading Day.

“Disrupted Day” means:

- (i) for any Standard Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;
- (ii) for any Composite Index, any Scheduled Trading Day on which (a) the Index Sponsor fails to publish the level of the Index (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), (b) the Related Exchange fails to open for trading during its regular trading session, or (c) a Market Disruption Event has occurred; or
- (iii) for any Proprietary Index, any Scheduled Trading Day on which a Market Disruption Event has occurred (provided that the Calculation Agent may, in its discretion, determine that the occurrence of such event instead results in the occurrence of an Index Disruption).

“Early Closure” means:

- (i) for any Standard Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day, and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or
- (ii) for any Composite Index, the closure on any Exchange Business Day with respect to such Composite Index of the Exchange in respect of any Component, or the Related Exchange, prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related

Exchange (as the case may be) on such Exchange Business Day, and (b) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution as at the relevant Valuation Time on such Exchange Business Day.

“Exchange” means:

- (i) for any Standard Index, each exchange or quotation system specified as such in the applicable Final Terms for such Index, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Components underlying such Index on such temporary substitute exchange or quotation system as on the original exchange); or
- (ii) for any Composite Index, each exchange on which any Component of the Index is, in the determination of the Calculation Agent, principally traded, or as otherwise determined by the Calculation Agent in its sole discretion, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity to Components underlying the Index on such temporary substitute exchange or quotation system as on the original exchange).

“Exchange Business Day” means:

- (i) for any Standard Index, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or
- (ii) for any Composite Index, any Scheduled Trading Day on which (a) the Index Sponsor publishes the level of the Index, and (b) Exchange and the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time.

“Exchange Disruption” means:

- (i) for any Standard Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for any Components that comprise 20 per cent. or more of the level of the Index on any relevant Exchange in respect of such Components, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange; or
- (ii) for any Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (a) any Component on the relevant Exchange in respect of such Component, or (b) futures or options contracts relating to the Index on the relevant Related Exchange.

“Index Sponsor” means, for any Index, the entity specified in the applicable Final Terms, and, if not specified, the corporation or other entity that, as determined by the Calculation Agent, (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index, and (ii) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day.

“Maximum Days of Disruption” means eight Scheduled Trading Days or such other number of Scheduled Trading Days (or other type of days) specified in the applicable Final Terms.

“Related Exchange” means for any Standard Index or Composite Index, each exchange or quotation system if any, specified in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided however that where “All Exchanges” is specified as the Related Exchange, “Related Exchange” shall mean each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or, in any such case, any transferee or successor exchange of such exchange or quotation system (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

“Scheduled Trading Day” means:

- (i) for any Standard Index, any day on which each Exchange and each Related Exchange specified in the applicable Final Terms are scheduled to be open for trading for their respective regular trading sessions;
- (ii) for any Composite Index, any day on which (a) the Index Sponsor is scheduled to publish the level of the Index, and (b) the Related Exchange is scheduled to be open for trading for its regular trading session; or
- (iii) for any Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of the Index.

“Trading Disruption” means:

- (i) for any Standard Index, any suspension of, or limitation imposed on, trading by the relevant Exchange or Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (a) relating to Components that comprise 20 per cent. or more of the level of that Index on any relevant Exchange or (b) in futures or options contracts relating to the relevant Index on any relevant Related Exchange; or
- (ii) for any Composite Index, any suspension or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to any Component on the Exchange in respect of such Component, or (b) in futures or options contracts relating to the Index on the Related Exchange.

“Valuation Time” means (unless otherwise, and to the extent, specified in the applicable Final Terms:

- (i) for any Standard Index, (a) for the purposes of determining whether a Market Disruption Event has occurred in respect of (I) any Component, the Scheduled Closing Time on the Exchange in respect of such Component (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on the Index, the close of trading on the Related Exchange, and (b) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;
- (ii) for any Composite Index, (a) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Component, the Scheduled Closing Time on the Exchange in respect of such Component (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on the Index, the close of trading on the Related Exchange, and (b) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; or
- (iii) for any Proprietary Index, the time at which the Index Sponsor calculates and publishes the official closing level of the Index.

2.2 The Calculation Agent shall give notice, as soon as practicable, to the Noteholders in accordance with Condition 14, as the case may be, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day would have been a Reference Date or an Averaging Reference Date. Any failure by the Calculation Agent to so notify the Noteholders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence or the consequences of such Disrupted Day.

3. Fallback Valuation Date

Notwithstanding any other terms of these Index Linked Conditions, if a Fallback Valuation Date is specified in the applicable Final Terms to be applicable to any Reference Date or Averaging Reference Date or any other relevant date (as specified in the applicable Final Terms) (any such date being, for the purposes of this paragraph 3, a “**Relevant Date**”) for an Index, and if, following adjustment of such Relevant Date pursuant to paragraphs 1 (Consequences of Disrupted Days) above or 10 (Additional Basket Valuation Provisions) below and/or owing to the original date on which such Relevant Date was scheduled to fall not being a Scheduled Trading Day for such Index (for the purposes of this paragraph 3, an “**Affected Index**”), the Relevant Date would otherwise fall after the specified Fallback Valuation Date in respect of such Affected Index, then (unless otherwise, and to the extent, specified in the applicable Final Terms) such Fallback Valuation Date shall be deemed to be such Relevant Date for such Affected Index. If such Fallback Valuation Date is not a Scheduled Trading Day or is a Disrupted Day in respect of such Affected Index, the Index Level as of the Valuation Time for the Relevant Date for such Affected Index shall be determined pursuant to paragraph 1.1(i)(b) of these Index Linked Conditions, as if each reference therein to “that last consecutive Scheduled Trading Day” were instead a reference to “such Fallback Valuation Date”.

4. Automatic Early Redemption

4.1 If Automatic Early Redemption is specified in the applicable Final Terms to be applicable to any Reference Date or Averaging Reference Date or any other relevant date (as specified in the applicable Final Terms) (any such date being, for the purposes of this paragraph 4, a “**Relevant Date**”) for an Index, and if the Calculation Agent determines that an Automatic Early Redemption Event has occurred in respect of such Relevant Date, then (unless otherwise, and to the extent,

specified in the applicable Final Terms) the Notes will be redeemed on the Automatic Early Redemption Date corresponding to such Relevant Date.

- 4.2 The following terms and expressions shall have the following meanings in relation to Notes to which these Index Linked Conditions apply:

“**Automatic Early Redemption Date**” means, in respect of any Relevant Date, such date as is specified in the applicable Final Terms.

“**Automatic Early Redemption Event**” means, in respect of any Relevant Date, such event as is specified in the applicable Final Terms.

5. Adjustments

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

- 5.2 If, the Calculation Agent determines that, (i) on or prior to any Reference Date, Averaging Reference Date, Observation Date, or other relevant date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for, or the method of, calculating a relevant Index, or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in the Components, capitalization, and/or other routine events) (an “**Index Modification**”), or permanently cancels a relevant Index and no Successor Index exists as at the date of such cancellation (an “**Index Cancellation**”), or (ii) on any Reference Date, Averaging Reference Date, Observation Date, or other relevant date, the Index Sponsor fails to calculate and announce a relevant Index (an “**Index Disruption**” (provided that, in respect of a Composite Index or a Proprietary Index, the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of a Disrupted Day) and, together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”) then:

- (i) if “**Calculation Agent Adjustment**” is stated to be applicable in the applicable Final Terms, the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Notes and, if so, shall calculate the relevant Index Level using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Reference Date, Averaging Reference Date, Observation Date, or other relevant date, as the case may be, as determined by the Calculation Agent in accordance with the formula for, and method of, calculating that Index last in effect prior to the relevant Index Adjustment Event, but using only those Components that comprised that Index immediately prior to that Index Adjustment Event (other than those Components that have since ceased to be listed on the relevant Exchange); or
- (ii) if “**Related Exchange Adjustment**” is stated to be applicable in the applicable Final Terms, then following each adjustment to the exercise, settlement, payment, or other terms of options or futures contracts on the Index traded on any Options Exchange, the Calculation Agent will make the corresponding adjustments, if any, to any one or more of terms of the Notes, including without limitation, any variable or term relevant to settlement or payment under the Notes, as the Calculation Agent determines appropriate, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options or futures contracts on

the Index are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the relevant terms of the Notes, including without limitation, any variable or term relevant to settlement or payment under the Notes, as the Calculation Agent determines appropriate, with reference to the rules of and precedents (if any) set by the Options Exchange, to account for any event that, in the determination of the Calculation Agent, would have given rise to an adjustment by the Options Exchange if such options or futures contracts were so traded; or

- (iii) if, in the determination of the Calculation Agent, neither paragraph (i) nor (ii) above, as is applicable, would achieve a commercially reasonable result, on giving notice to Noteholders in accordance with Condition 14, as the case may be, the Issuer shall redeem the Notes in whole but not in part, each Note being redeemed by payment of an amount equal to the fair market value of such Note taking into account the Index Adjustment Event, adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its Affiliates of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of any type whatsoever hedging the Issuer's obligations under the Notes (unless otherwise provided in the applicable Final Terms)), all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14, as the case may be.

- 5.3 The Calculation Agent shall give notice, as soon as practicable, to the relevant Agent and the Noteholders in accordance with Condition 14 of any determination with respect to the Notes made by it pursuant to paragraph 5.1 or 5.2 above, as is applicable, and the action proposed to be taken in relation thereto and such Agent shall make available for inspection by Noteholders copies of any such determinations. Any failure by the Calculation Agent to so notify the Noteholders of the determination and any action proposed to be taken in relation thereto shall not affect the validity of such determination or such action.

6. Correction of Index Level

If the applicable Final Terms specify that corrections shall be applicable for a relevant Index, then, in the event that any Index Level published by the Index Sponsor on any date which is utilized for any calculation or determination is subsequently corrected and the correction is published by the Index Sponsor within one Settlement Cycle after the original publication, the Calculation Agent will make any determination or determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust any relevant terms of the Notes to account for such correction, provided that, if a Correction Cut-off Date is applicable for a relevant Index for any relevant date, corrections published after such Correction Cut-off Date will be disregarded by the Calculation Agent for the purposes of determining or calculating any relevant amount, and/or whether any event specified in the applicable Final Terms has occurred.

7. Additional Disruption Events

- 7.1 If any Additional Disruption Event is specified in the Final Terms to be applicable to the Notes, and such Additional Disruption Event occurs, the Issuer, in its sole and absolute discretion, may:
- (i) require the Calculation Agent to determine, in its sole and absolute discretion, the adjustment if any, to be made to any one or more of the terms of the Notes as the Calculation Agent determines appropriate, to account for the Additional Disruption Event and determine the effective date of that adjustment; or

- (ii) redeem the Notes in whole but not in part by giving notice to Noteholders in accordance with Condition 14, as the case may be. If the Notes are so redeemed, the Issuer will pay to each Noteholder, in respect of each Note held by such Noteholder, an amount equal to the Early Redemption Amount of such Note. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14, as the case may be.

7.2 Upon the occurrence of an applicable Additional Disruption Event, the Issuer shall give notice, as soon as practicable, to the Noteholders in accordance with Condition 14, as the case may be, stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto.

8. Index Disclaimer

If “**Index Disclaimer**” is specified as being applicable to an Index in the applicable Final Terms, then each of the Issuer and the Noteholders agrees and acknowledges, in respect of each Index, that the Notes are not sponsored, endorsed, sold, or promoted by the Index or the Index Sponsor and no Index Sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. The Issuer shall have no liability to the Noteholders for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment, or maintenance of the Index. Except as disclosed prior to the Issue Date specified in the applicable Final Terms, none of the Issuer, the Calculation Agent, and any of their respective Affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition, or dissemination of the Index. Although the Calculation Agent will obtain information concerning the Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty, or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, its Affiliates, or the Calculation Agent as to the accuracy, completeness, and timeliness of information concerning the Index.

9. Definitions

The following terms and expressions shall have the following meanings in relation to Notes to which these Index Linked Conditions apply:

“**Additional Disruption Event**” means any Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms.

“**Averaging Date**” means, in respect of an Index, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Averaging Reference Date**” means, in respect of an Index, each Initial Averaging Date, Averaging Date or such other date as specified, or otherwise determined in respect of that Index, as specified in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Change in Law**” means that, on or after the Trade Date (as specified in the applicable Final Terms), due to (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) the promulgation of or any change in the interpretation by any court,

tribunal, or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines, in its sole and absolute discretion, that (y) it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire, or dispose of relevant Hedge Positions, or (z) the Issuer and/or any of its Affiliates will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit, or other adverse effect on its tax position).

“**Clearance System**” means, in respect of a Component of an Index, a clearance system as specified in the applicable Final Terms. If the applicable Final Terms does not specify a Clearance System, the Clearance System will be the principal domestic clearance system customarily used for settling trades in the relevant Component on any relevant date.

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

“**Component**” means, in respect of an Index, each and any security, commodity, or other component included in such Index. “**Composite Index**” means any Index specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

“**Correction Cut-off Date**” means, in respect of any Index, the date(s) specified as such in the applicable Final Terms.

“**Fallback Valuation Date**” means, in respect of any Index, the date(s) specified as such in the applicable Final Terms.

“**Hedge Positions**” means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives, or foreign exchange (including any Components comprised in an Index), (ii) stock loan transactions, or (iii) other instruments or arrangements (howsoever described) by the Issuer and/or any of its Affiliates in order to hedge, individually or on a portfolio basis, its obligations under the Notes.

“**Hedging Disruption**” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (ii) realize, recover, or remit the proceeds of any such transaction(s) or asset(s).

“**Increased Cost of Hedging**” means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense, or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (ii) realize, recover, or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

“**Index Basket**” means, subject to adjustment in accordance with these Index Linked Conditions, the basket of Indices specified in the applicable Final Terms.

“**Index Level**” means the level of the Index as determined by the Calculation Agent as of the relevant time on the relevant date, as calculated and published by the relevant Index Sponsor, or as specified in the applicable Final Terms.

“**Indices**” and “**Index**” mean, subject to adjustment in accordance with these Index Linked Conditions, the indices or index specified in the applicable Final Terms, and related expressions shall be construed accordingly.

“**Initial Averaging Date**” means, in respect of an Index, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Initial Valuation Date**” means, in respect of an Index, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Interest Valuation Date**” means, in respect of an Index, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Observation Date**” means, in respect of an Index and an Observation Period, and unless otherwise provided in the applicable Final Terms, in respect of each Index, each Scheduled Trading Day which is not a Disrupted Day for such Index falling in the Observation Period.

“**Observation Period**” means, in respect of an Index, the period commencing on the Observation Period Start Date and ending on the Observation Period End Date.

“**Observation Period End Date**” means, in respect of an Index, the date specified as such in the applicable Final Terms, which shall be the last day of the relevant Observation Period. Such day shall be included in or excluded from such Observation Period, as specified in the applicable Final Terms.

“**Observation Period Start Date**” means, in respect of an Index, the date specified as such in the applicable Final Terms, which shall be the first day of the relevant Observation Period. Such day shall be included in or excluded from such Observation Period, as specified in the applicable Final Terms.

“**Proprietary Index**” means any Index specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

“**Reference Date**” means, in respect of an Index, each Initial Valuation Date, Interest Valuation Date, Valuation Date or such other date as specified or otherwise determined in respect of that Index, as specified in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Scheduled Initial Averaging Date**” means, in respect of an Index, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Averaging Date.

“**Scheduled Initial Valuation Date**” means, in respect of an Index, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Valuation Date.

“**Scheduled Interest Valuation Date**” means, in respect of an Index, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Interest Valuation Date.

“**Scheduled Reference Date**” means, each Scheduled Initial Valuation Date, Scheduled Interest Valuation Date, Scheduled Valuation Date, or such other date specified or otherwise determined in respect of that Index, as specified in the applicable Final Terms.

“**Scheduled Valuation Date**” means, in respect of an Index, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

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

“**Standard Index**” means any Index specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

“**Trade Date**” means the date as specified in the applicable Final Terms, or as otherwise determined by the Calculation Agent, in its sole discretion.

“**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Reference Date does not or is not deemed to occur.

“**Valuation Date**” means, in respect of an Index, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

10. Additional Basket Valuation Provisions

10.1 In relation to any Notes to which these Index Linked Conditions apply, if the applicable Final Terms specify that:

- (i) “Basket Valuation (Common Scheduled Trading Day Roll)” shall apply to any two or more Indices (such Indices being “**Basket Indices**” and each, a “**Basket Index**”), then, notwithstanding the provisions of paragraph 1 above, the provisions of paragraphs 10.1, 10.4, and 10.5 of the Index Linked Conditions shall apply to each such Basket Index.
- (ii) “Basket Valuation (Common Scheduled Trading Day Roll)” shall apply to any two or more Indices (such Indices being “**Basket Indices**” and each, a “**Basket Index**”), then, notwithstanding the provisions of paragraph 1 above, the provisions of paragraphs 10.1, 10.4, and 10.5 of the Index Linked Conditions shall apply to each such Basket Index.

10.2 In relation to Basket Indices to which “Basket Valuation (Common Disrupted Day Roll)” applies, for each Reference Date for a Basket Index (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been such Reference Date is affected by the occurrence of a Disrupted Day for any Basket Index (as determined by the Calculation Agent), such Reference Date shall be the first succeeding Common Scheduled Trading Day which the Calculation Agent determines is not a Disrupted Day for any Basket Index, unless the Calculation Agent determines that each of the consecutive Common Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that would have been such Reference Date is a Disrupted Day for one or more Basket Indices (such Basket Indices being “Affected Basket Indices” for such Reference Date, and each such Basket Index being an “Affected Basket Index” for such Reference Date). In that case:

- (i) that last consecutive Common Scheduled Trading Day shall be deemed to be such Reference Date, notwithstanding the fact that such day is a Disrupted Day for the Affected Basket Indices;
- (ii) for each Basket Index other than an Affected Basket Index, the relevant Index Level shall be determined by the Calculation Agent at the applicable Valuation Time on such last consecutive Common Scheduled Trading Day; and

- (iii) for each Affected Basket Index, the Calculation Agent shall determine the Index Level at the applicable Valuation Time of each such Affected Basket Index on that last consecutive Common Scheduled Trading Day in accordance with the formula for, and method of, calculating that Affected Basket Index last in effect prior to the occurrence of the first Disrupted Day in respect of such Affected Basket Index using the Exchange traded or quoted price as of the relevant Valuation Time on that last consecutive Common Scheduled Trading Day of each Component comprised in the Basket Index (or, if an event giving rise to a Disrupted Day has occurred in respect of any relevant Component on that last consecutive Common Scheduled Trading Day, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on that last consecutive Common Scheduled Trading Day) (and such determination by the Calculation Agent pursuant to this paragraph (iii) shall be deemed to be the Index Level at the Valuation Time of each Affected Basket Index in respect of the relevant Reference Date).

10.3 In relation to Basket Indices to which “Basket Valuation (Common Disrupted Day Roll)” applies, for each Averaging Reference Date for a Basket Index (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been an Averaging Reference Date is affected by the occurrence of a Disrupted Day for any Basket Index (as determined by the Calculation Agent), and, if in the applicable Final Terms the consequence specified is:

- (i) “**Omission**”, then the Averaging Reference Date corresponding to such original date will be deemed not to be a relevant Averaging Reference Date for the purposes of determining the Index Level of the Basket Indices at the Valuation Time, provided that, if through the operation of this provision there would not be an Averaging Reference Date, then paragraph 10.2(iii) of these Index Linked Conditions will apply *mutatis mutandis* for the purposes of determining the relevant Index Level at the Valuation Time on the final Averaging Reference Date, as if such Averaging Reference Date were a Reference Date on which a Disrupted Day had occurred for the Basket Indices;
- (ii) “**Postponement**”, then paragraph 10.2 of these Index Linked Conditions will apply *mutatis mutandis* for the purposes of determining the Index Level at the Valuation Time on that Averaging Reference Date as if such original date were a Reference Date that was a Disrupted Day for each Basket Indices, irrespective of whether, pursuant to such determination, that deferred Averaging Reference Date would fall on a day that already is or is deemed to be an Averaging Reference Date; or
- (iii) “**Modified Postponement**”, then the Averaging Reference Date for each Basket Index shall be the first succeeding Basket Valid Date in relation to each such Basket Index. If the first succeeding Basket Valid Date in relation to each such Basket Index has not occurred as of the Valuation Time on the date which falls the number of consecutive Common Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Reference Date or Disrupted Day, would have been the final Averaging Reference Date, then (a) that last consecutive Common Scheduled Trading Day shall be deemed the Averaging Reference Date (irrespective of whether that last consecutive Common Scheduled Trading Day is already an Averaging Reference Date) for all Basket Indices, and (b) the Calculation Agent shall determine the Index Level of each Basket Index at the Valuation Time for that Averaging Reference Date in accordance with paragraph 10.2(ii) and (iii) of these Index Linked Conditions, which shall apply *mutatis mutandis* as if such Averaging Reference Date were a Reference Date.

10.4 In relation to Basket Indices to which “Basket Valuation (Common Scheduled Trading Day Roll)” applies:

- (i) for each Reference Date for a Basket Index (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been such Reference Date is not a Common Scheduled Trading Day (as determined by the Calculation Agent), such Reference Date shall be the first succeeding Common Scheduled Trading Day. If such first succeeding Common Scheduled Trading Day is a Disrupted Day for one or more Basket Indices, then the Index Level of each Basket Index shall be determined in accordance with paragraph 1.1(ii), which shall apply *mutatis mutandis* as if the reference therein to “the relevant Scheduled Reference Date” in paragraph 1.1(ii)(a) were instead a reference to “such first succeeding Common Scheduled Trading Day” where “Basket Valuation (Common Disrupted Day Roll)” is not stated to apply or paragraph 10.2 of these Index Linked Conditions as specified in the applicable Final Terms; and
- (ii) for each Averaging Reference Date for a Basket Index (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been such Averaging Reference Date is not a Common Scheduled Trading Day (as determined by the Calculation Agent), such Averaging Reference Date shall be the first succeeding Common Scheduled Trading Day. If such first succeeding Common Scheduled Trading Day is a Disrupted Day for one or more Basket Indices, then the Index Level of each Basket Index shall be determined in accordance with paragraph 1.2, which shall apply *mutatis mutandis* where “Basket Valuation (Common Disrupted Day Roll)” is not stated to apply or paragraph 10.3 of these Index Linked Conditions, which shall apply *mutatis mutandis* where “Basket Valuation (Common Disrupted Day Roll)” is stated to apply, as specified in the applicable Final Terms.

10.5 The following terms and expressions shall have the following meanings in relation to any Notes to which these Index Linked Conditions apply and to which “Basket Valuation (Common Disrupted Day Roll)” and/or “Basket Valuation (Common Scheduled Trading Day Roll)” shall apply:

“**Basket Valid Date**” means a Common Scheduled Trading Day for all Basket Indices that is not a Disrupted Day for any Basket Index and on which another Averaging Reference Date does not or is not deemed to occur.

“**Common Observation Date**” means, in respect of Basket Indices and a Common Observation Period, and unless otherwise provided in the applicable Final Terms, in respect of the Basket Indices, each Common Scheduled Trading Day falling in the Common Observation Period which is not a Disrupted Day for any Basket Index.

“**Common Observation Period**” means, in respect of Basket Indices, the period commencing on the Common Observation Period Start Date and ending on the Common Observation Period End Date.

“**Common Observation Period End Date**” means, in respect of Basket Indices, the date specified as such in the applicable Final Terms, which shall be the last day of the relevant Common Observation Period. Such day shall be included in or excluded from such Common Observation Period, as specified in the applicable Final Terms.

“**Common Observation Period Start Date**” means, in respect of Basket Indices, the date specified as such in the applicable Final Terms, which shall be the first day of the relevant Common Observation Period. Such day shall be included in or excluded from such Common Observation Period, as specified in the applicable Final Terms.

“Common Scheduled Trading Day” means, in respect of all Basket Indices, each day which is a Scheduled Trading Day for all Basket Indices.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR SHARE LINKED NOTES

*The terms and conditions applicable to Share Linked Notes shall comprise the Terms and Conditions of the Notes and the additional Terms and Conditions set out below (the “**Share Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Terms and Conditions of the Notes and the Share Linked Conditions, the Share Linked Conditions shall prevail. In the event of any inconsistency between (i) the Terms and Conditions of the Notes and/or the Share Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Consequences of Disrupted Days

1.1 In relation to a Share or a Share Basket, the following provisions shall apply to each Reference Date (unless otherwise, and to the extent, specified in the applicable Final Terms):

- (i) where the Notes are specified in the applicable Final Terms to relate to a single Share, if the Calculation Agent determines that any Reference Date is a Disrupted Day, then the Reference Date for such Share shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day in respect of such Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption in respect of such Share immediately following the Scheduled Reference Date is a Disrupted Day. In that case:
 - (a) that last consecutive Scheduled Trading Day shall be deemed to be the Reference Date for such Share, notwithstanding the fact that such day is a Disrupted Day; and
 - (b) the Calculation Agent shall determine its good faith estimate of the value for the Share as of the Valuation Time on that last consecutive Scheduled Trading Day (and such determination by the Calculation Agent pursuant to this paragraph (b) shall be deemed to be the Share Price at the Valuation Time in respect of the relevant Reference Date).
- (ii) where the Notes are specified in the applicable Final Terms to relate to a Share Basket, then
 - (a) the Reference Date for each Share not affected by the occurrence of a Disrupted Day (as determined by the Calculation Agent) shall be the relevant Scheduled Reference Date, and
 - (b) the Reference Date for each Share affected by the occurrence of a Disrupted Day (as determined by the Calculation Agent) shall be the first succeeding Scheduled Trading Day which the Calculation Agent determines is not a Disrupted Day relating to that Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day relating to that Share. In that case:
 - (a) that last consecutive Scheduled Trading Day shall be deemed to be the Reference Date for such Share, notwithstanding the fact that such day is a Disrupted Day; and
 - (b) the Calculation Agent shall determine its good faith estimate of the value for the Share as of the Valuation Time on that last consecutive Scheduled Trading Day (and such determination by the Calculation Agent pursuant to this paragraph (b) shall be deemed to be the Share Price at the Valuation Time in respect of the relevant Reference Date).

- 1.2 In relation to a Share or Share Basket, if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day in respect of a Share and, if in the applicable Final Terms the consequence specified is:
- (i) “**Omission**”, then such Averaging Reference Date will be deemed not to be a relevant Averaging Reference Date for the purposes of determining the Share Price at the Valuation Time, provided that, if through the operation of this provision there would not be an Averaging Reference Date, then paragraph 1.1 of these Share Linked Conditions will apply *mutatis mutandis* for the purposes of determining the relevant Share Price at the Valuation Time on the final Averaging Reference Date, as if such Averaging Reference Date were a Reference Date that was a Disrupted Day;
 - (ii) “**Postponement**”, then paragraph 1.1 of these Share Linked Conditions will apply *mutatis mutandis* for the purposes of determining the Share Price at the Valuation Time on that Averaging Reference Date as if such Averaging Reference Date were a Reference Date that was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Averaging Reference Date would fall on a day that already is or is deemed to be an Averaging Reference Date; or
 - (iii) “**Modified Postponement**”, then:
 - (a) where the Notes are specified in the applicable Final Terms to relate to a single Share, the Averaging Reference Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the date which falls the number of consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Reference Date or Disrupted Day, would have been the final Averaging Reference Date, then (I) that last consecutive Scheduled Trading Day shall be deemed the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already an Averaging Reference Date), and (II) the Calculation Agent shall determine the Share Price at the Valuation Time for that Averaging Reference Date in accordance with paragraph 1.1(i)(b) of these Share Linked Conditions (as if such Averaging Reference Date were a Reference Date); and
 - (b) where the Notes are specified in the applicable Final Terms to relate to a Share Basket, (I) the Averaging Reference Date for each Share not affected by the occurrence of a Disrupted Day shall be the relevant Averaging Reference Date, and (II) the Averaging Reference Date for a Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Share. If the first succeeding Valid Date has not occurred as of the Valuation Time on the date which falls the number of consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Reference Date or Disrupted Day, would have been the final Averaging Reference Date, then (y) that last consecutive Scheduled Trading Day shall be deemed the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already an Averaging Reference Date) in respect of such Share, and (z) the Calculation Agent shall determine the Share Price at the Valuation Time for that Averaging Reference Date in accordance with paragraph 1.1(i)(b) of these Share Linked Conditions, which shall apply *mutatis mutandis* as if such Averaging Reference Date were a Reference Date.

2. **Market Disruption**

2.1 In relation to Notes relating to a single Share or a Share Basket, the following terms and expressions shall have the following meanings:

“**Market Disruption Event**” means, in respect of a Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

“**Disrupted Day**” means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

“**Early Closure**” means, in respect of a Share, the closure on any Exchange Business Day of the relevant Exchange relating to the Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

“**Exchange**” means, in respect of a Share, each exchange or quotation system specified as such in the applicable Final Terms for such Share, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

“**Exchange Business Day**” means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

“**Exchange Disruption**” means, in respect of a Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

“**Maximum Days of Disruption**” means eight Scheduled Trading Days or such other number of Scheduled Trading Days (or other type of days) specified in the applicable Final Terms.

“**Related Exchange**” means, in respect of a Share, each exchange or quotation system, if any, specified as such in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where “All Exchanges” is specified as the Related Exchange, “Related Exchange” shall mean each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share or, in any such case, any transferee or successor exchange of such exchange or quotation system (provided that the Calculation Agent has determined that there is comparable liquidity relative to the

futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

“**Scheduled Trading Day**” means, in respect of a Share, any day on which each Exchange and each Related Exchange specified in the applicable Final Terms are scheduled to be open for trading for their respective regular trading sessions.

“**Trading Disruption**” means, in respect of a Share, any suspension of, or limitation imposed on, trading by the relevant Exchange or Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to the Share on the Exchange or (ii) in futures or options contracts relating to the Share on any relevant Related Exchange.

“**Valuation Time**” means the time specified in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant day in relation to each Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

3. The Calculation Agent shall give notice, as soon as practicable, to the Noteholders in accordance with Condition 14, as the case may be, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day would have been a Reference Date or an Averaging Reference Date. Any failure by the Calculation Agent to so notify the Noteholders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence or the consequences of such Disrupted Day.

4. **Fallback Valuation Date**

Notwithstanding any other terms of these Share Linked Conditions, if a Fallback Valuation Date is specified in the applicable Final Terms to be applicable to any Reference Date or Averaging Reference Date or any other relevant date (as specified in the applicable Final Terms) (any such date being, for the purposes of this paragraph 4, a “**Relevant Date**”) for a Share, and if, following adjustment of such Relevant Date pursuant to paragraphs 1 (Consequences of Disrupted Days) above or 10 (Additional Basket Valuation Provisions) below and/or owing to the original date on which such Relevant Date was scheduled to fall not being a Scheduled Trading Day for such Share (for the purposes of this paragraph 4, an “**Affected Share**”) the Relevant Date would otherwise fall after the specified Fallback Valuation Date in respect of such Affected Share, then (unless otherwise, and to the extent, specified in the applicable Final Terms) such Fallback Valuation Date shall be deemed to be such Relevant Date for such Affected Share. If such Fallback Valuation Date is not a Scheduled Trading Day or is a Disrupted Day in respect of such Affected Share, the Share Price as of the Valuation Time for the Relevant Date for such Affected Share shall be determined pursuant to paragraph 1.1(i)(b) of these Share Linked Conditions, as if each reference therein to “that last consecutive Scheduled Trading Day” were instead a reference to “such Fallback Valuation Date”.

5. **Automatic Early Redemption**

5.1 If Automatic Early Redemption is specified in the applicable Final Terms to be applicable to any Reference Date or Averaging Reference Date or any other relevant date (as specified in the applicable Final Terms) (any such date being, for the purposes of this paragraph 5, a **“Relevant Date”**) for a Share, and if the Calculation Agent determines that an Automatic Early Redemption Event has occurred in respect of such Relevant Date, then (unless otherwise, and to the extent, specified in the applicable Final Terms) the Notes will be redeemed on the Automatic Early Redemption Date corresponding to such Relevant Date.

5.2 The following terms and expressions shall have the following meanings in relation to Notes to which these Share Linked Conditions apply:

“Automatic Early Redemption Date” means, in respect of any Relevant Date, such date as is specified in the applicable Final Terms.

“Automatic Early Redemption Event” means, in respect of any Relevant Date, such event as is specified in the applicable Final Terms.

6. **Potential Adjustment Events, Merger Event, Tender Offer, Delisting, Nationalization, and Insolvency**

6.1 **“Potential Adjustment Event”** means:

- (i) a subdivision, consolidation, or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders of the Shares by way of bonus, capitalization, or similar issue;
- (ii) a distribution, issue, or dividend to existing holders of the relevant Shares of (I) such Shares, or (II) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares, or (III) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (IV) any other type of securities, rights, warrants, or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price, all as determined by the Calculation Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by a Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by a Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities, or otherwise;
- (vi) in respect of a Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments, or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

- (vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

Following the determination by the Calculation Agent that a Potential Adjustment Event has occurred or following any adjustment to the settlement terms of listed options or futures contracts on the relevant Shares traded on a Related Exchange, the Calculation Agent will, in its sole and absolute discretion, (i) determine whether such Potential Adjustment Event or adjustment to the settlement terms of listed options or futures contracts on the relevant Shares traded on a Related Exchange has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will make the corresponding adjustment, if any, to any one or more of the terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent, in its sole and absolute discretion, determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate, or liquidity relative to the relevant Share), and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 14, as the case may be, stating the adjustment to the terms of the Notes, and giving brief details of the Potential Adjustment Event.

- 6.2 If a Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency occurs in relation to any Share, the Issuer in its sole and absolute discretion, may:
- (i) require the Calculation Agent to determine, in its sole and absolute discretion, the appropriate adjustment, if any, to be made to any one or more of the terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines, in its sole and absolute discretion, appropriate to account for the Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency, as the case may be, and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate, or liquidity relevant to the Shares or to the Notes. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency made by any options exchange to options on the Shares traded on that options exchange; or
 - (ii) in the case of Share Linked Notes relating to a Share Basket, redeem the Notes in part by giving notice to Noteholders in accordance with Condition 14, as the case may be. If the Notes are so redeemed in part, the portion (the “**Redeemed Amount**”) of each Note representing the affected Share(s) shall be redeemed and the Issuer will (a) pay to each Noteholder in respect of each Note held by such Noteholder an amount equal to the fair market value of the Redeemed Amount, taking into account the Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency, as the case may be, adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its Affiliates of unwinding any underlying and/or relating hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of any type whatsoever hedging the Issuer’s obligations under the Notes (unless otherwise provided in the applicable Final Terms)), all as determined by the Calculation Agent in good faith and in a commercially

reasonable manner, and (b) require the Calculation Agent to determine, in its sole and absolute discretion, the appropriate adjustment, if any, to be made to any one or more of the terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines, in its sole and absolute discretion, appropriate to account for such redemption in part. For the avoidance of doubt the remaining part of each Note after such cancellation and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14, as the case may be; or

- (iii) having given notice to Noteholders in accordance with Condition 14, as the case may be, redeem all, but not some only, of the Notes, each Note being redeemed by payment of an amount equal to the Early Redemption Amount of such Note. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14, as the case may be; or
- (iv) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer, in its sole discretion, shall select (the “**Options Exchange**”), require the Calculation Agent to make the appropriate adjustment, if any, to any one or more of terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines, in its sole and absolute discretion, appropriate, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency, as the case may be, that in the judgment of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (v) if the applicable Final Terms provide that “**Share Substitution**” is applicable, then on or after the relevant Merger Date, Tender Offer Date, or the date of the Nationalization, Insolvency, or Delisting (as the case may be), require the Calculation Agent to adjust the Share Basket to include shares selected by it (the “**Substitute Shares**”) in place of the Shares (the “**Affected Share(s)**”) which are affected by such Merger Event, Tender Offer, Nationalization, Insolvency, or Delisting, and the Substitute Shares and their issuer will be deemed “Shares” and a “Share Issuer” for the purposes of the Share Linked Conditions, respectively, and the Calculation Agent may make such adjustment, if any, to any one or more of terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines, in its sole and absolute discretion, appropriate. In this regard:
 - (a) such substitution and the relevant adjustment to the terms of the Notes will be deemed to be effective as of the date selected by the Calculation Agent (the “**Substitution Date**”), in its absolute discretion, and specified in the notice referred to in paragraph 6.3 below which may, but need not, be the Merger Date or Tender Offer Date or the date of the Nationalization, Insolvency, or Delisting (as the case may be);

- (b) the weighting of each Substitute Share in the relevant basket will be equal to the weighting of the relevant Affected Share, unless otherwise determined by the Calculation Agent in its sole and absolute discretion;
- (c) if a Merger Event or a Tender Offer occurs between two or more Shares of the relevant basket, Share Substitution will apply; and
- (d) in order to be selected as a Substitute Share, each relevant share must be a share which, in the sole and absolute discretion of the Calculation Agent:
 - (I) is not already the Affected Share or comprised in the Share Basket, as the case may be;
 - (II) belongs to a similar economic sector as the Affected Share; and
 - (III) is of comparable market capitalization, international standing, and exposure as the Affected Share.

6.3 Upon the occurrence of a Merger Event, Tender Offer, Delisting, Nationalization, or Insolvency, the Issuer shall give notice as soon as practicable to the Noteholders, in accordance with Condition 14, as the case may be, stating the occurrence of the Merger Event, Tender Offer, Delisting, Nationalization or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto, including, in the case of Substitute Shares, the identity of the Substitute Shares, and the Substitution Date.

7. **Correction of Share Price**

If the applicable Final Terms specify that corrections shall be applicable for a relevant Share, then, in the event that any Share Price published on the Exchange on any date which is utilized for any calculation or determination is subsequently corrected and the correction is published by the Exchange within one Settlement Cycle after the original publication, the Calculation Agent will make any determination or determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust any relevant terms of the Notes to account for such correction, provided that, if a Correction Cut-off Date is applicable for a relevant Share for any relevant date, corrections published after such Correction Cut-off Date will be disregarded by the Calculation Agent for the purposes of determining or calculating any relevant amount, and/or whether any event specified in the applicable Final Terms has occurred.

8. **Additional Disruption Events**

- 8.1 If any Additional Disruption Event is specified in the applicable Final Terms to be applicable to the Notes, and such Additional Disruption Event occurs, the Issuer, in its sole and absolute discretion, may:
- (i) require the Calculation Agent to determine, in its sole and absolute discretion, the adjustment, if any, to be made to any one or more of the terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines appropriate to account for the Additional Disruption Event and determine the effective date of that adjustment; or
 - (ii) redeem the Notes by giving notice to Noteholders in accordance with Condition 14, as the case may be. If the Notes are so redeemed, the Issuer will pay to each Noteholder, in respect of each Note held by such Noteholder, an amount equal to the Early Redemption Amount of

such Note. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14, as the case may be; or

- (iii) if the applicable Final Terms provide that “Share Substitution” is applicable upon the occurrence of an Additional Disruption Event, then on or after the relevant Additional Disruption Event, the Calculation Agent may adjust the Share Basket to include a share selected by it (the “**Substitute Shares**”) in place of the Shares (the “**Affected Share(s)**”) which are affected by such Additional Disruption Event and such Substitute Shares will be deemed “Shares” and their issuer a “Share Issuer” for the purposes of the Shares, respectively, and the Calculation Agent may make such adjustment to any one or more of the terms of the Notes, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines appropriate, and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms as the Calculation Agent, in its sole and absolute discretion, determines appropriate. In this regard:
 - (a) such substitution and the relevant adjustment to the terms of the Notes will be deemed to be effective as of the date selected by the Calculation Agent (the “**Substitution Date**”), in its absolute discretion, and specified in the notice referred to in paragraph 8.2 below;
 - (b) the weighting of each Substitute Share in the relevant basket will be equal to the weighting of the relevant Affected Share, unless otherwise determined by the Calculation Agent in its sole and absolute discretion;
 - (c) in order to be selected as a Substitute Share, any relevant share must be a share which, in the sole and absolute discretion of the Calculation Agent:
 - (I) is not already the Affected Share or comprised in the Share Basket, as the case may be;
 - (II) belongs to a similar economic sector as the Affected Share; and
 - (III) is of comparable market capitalization, international standing, and exposure as the Affected Share.

8.2 Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable, to the Noteholders in accordance with Condition 14, as the case may be, stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto.

9. Definitions

“**Additional Disruption Event**” means any Change in Law, Failure to Deliver, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing, and/or Loss of Stock Borrow, in each case as specified in the applicable Final Terms.

“**Averaging Date**” means, in respect of a Share, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Averaging Reference Date**” means, in respect of a Share, each Initial Averaging Date, Averaging Date or such other date as specified, or otherwise determined in respect of that Share, as specified in the

applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“Change in Law” means that, on or after the Trade Date (as specified in the applicable Final Terms), due to (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines, in its sole and absolute discretion, that (y) it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire or dispose of relevant Hedge Positions including any relevant Share, or (z) the Issuer and/or any of its Affiliates will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit, or other adverse effect on its tax position).

“Clearance System” means, in respect of a Share, a clearance system as specified in the applicable Final Terms. If the applicable Final Terms does not specify a Clearance System, the Clearance System will be the principal domestic clearance system customarily used for settling trades in the relevant Shares on any relevant date.

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

“Correction Cut-off Date” means, in respect of any Share, the date(s) specified as such in the applicable Final Terms.

“Delisting” means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of that Exchange, such Shares cease (or will cease) to be listed, traded, or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded, or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

“Extraordinary Dividend” means, in respect of a Share, an amount per Share specified or otherwise determined as provided in the applicable Final Terms. If no Extraordinary Dividend is specified in or otherwise determined as provided in the applicable Final Terms, then the Extraordinary Dividend shall be determined by the Calculation Agent in its absolute and sole discretion.

“Failure to Deliver” means failure of the Issuer and/or any of its Affiliates to deliver, when due, the relevant Shares in respect of any relevant Hedge Positions, where such failure to deliver is due to illiquidity in the market for such Shares.

“Fallback Valuation Date” means, in respect of any Share, the date(s) specified as such in the applicable Final Terms.

“Hedge Positions” means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives, or foreign exchange (including any relevant Shares), (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by the Issuer and/or any of its Affiliates in order to hedge its obligations under the Notes, individually or on a portfolio basis.

“Hedging Disruption” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (ii) realize, recover, or remit the

proceeds of any such transaction(s) or asset(s).

“Hedging Shares” means the number of Shares that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes.

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

“Increased Cost of Stock Borrow” means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Share that is greater than the Initial Stock Loan Rate.

“Initial Averaging Date” means, in respect of a Share, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“Initial Stock Loan Rate” means, in respect of a Share, the initial stock loan rate specified in relation to such Share in the applicable Final Terms.

“Initial Valuation Date” means, in respect of a Share, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution, or winding-up of or any analogous proceeding affecting the Share Issuer, (i) all the Shares of that Share Issuer are required to be transferred to a trustee, liquidator, or other similar official, or (ii) holders of the Shares of that Share Issuer become legally prohibited from transferring them.

“Insolvency Filing” means that a Share Issuer institutes, or has instituted against it by a court, regulator, supervisor, or any similar official with primary insolvency, rehabilitative, or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor, or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.

“Interest Valuation Date” means, in respect of a Share, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“Loss of Stock Borrow” means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

“Maximum Stock Loan Rate” means, in respect of a Share, the Maximum Stock Loan Rate specified in the applicable Final Terms.

“**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

“**Merger Event**” means, in respect of any relevant Shares, any (i) reclassification or change of such Shares that results in a transfer of, or an irrevocable commitment to transfer all such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger, or binding share exchange of a Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger, or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal, or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Issuer that results in a transfer of, or an irrevocable commitment to transfer, all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger, or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before (y) in the case of Cash Settled Notes, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Note, or (z) in the case of Physical Delivery Notes, the relevant Maturity Date.

“**Nationalization**” means that all the Shares or all or substantially all the assets of the Share Issuer are nationalized, expropriated, or are otherwise required to be transferred to any governmental agency, authority, entity, or instrumentality thereof.

“**Observation Date**” means, in respect of a Share and an Observation Period and unless otherwise provided in the applicable Final Terms, in respect of each Share, each Scheduled Trading Day which is not a Disrupted Day for such Share falling in the Observation Period.

“**Observation Period**” means, in respect of a Share, the period commencing on the Observation Period Start Date and ending on the Observation Period End Date.

“**Observation Period End Date**” means, in respect of a Share, the date specified as such in the applicable Final Terms, which shall be the last day of the relevant Observation Period. Such day shall be included in or excluded from such Observation Period, as specified in the applicable Final Terms.

“**Observation Period Start Date**” means, in respect of a Share, the date specified as such in the applicable Final Terms, which shall be the first day of the relevant Observation Period. Such day shall be included in or excluded from such Observation Period, as specified in the applicable Final Terms.

“**Options Exchange**” means the exchange or quotation system specified as such in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system, to which trading in options contracts relating to the relevant Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such options contracts on such temporary substitute exchange or quotation system as on the original Options Exchange) or, if no such exchange or quotation system is specified in the applicable Final Terms, the Related Exchange (if such Related Exchange trades options contracts relating to the relevant Share) or, if more than one such Related Exchange is specified in the applicable Final Terms, the Related Exchange selected by the Calculation Agent as the primary market for listed options contracts relating to the relevant Share.

“**Reference Date**” means, in respect of a Share, each Initial Valuation Date, Interest Valuation Date, Valuation Date or such other date as specified or otherwise determined in respect of that Share, as specified in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“**Scheduled Initial Averaging Date**” means, in respect of a Share, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Averaging Date.

“**Scheduled Initial Valuation Date**” means, in respect of a Share, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Valuation Date.

“**Scheduled Interest Valuation Date**” means, in respect of a Share, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Interest Valuation Date.

“**Scheduled Reference Date**” means, in respect of a Share, each Scheduled Initial Valuation Date, Scheduled Interest Valuation Date, Scheduled Valuation Date, or such other date specified or otherwise determined in respect of that Share, as specified in the applicable Final Terms.

“**Scheduled Valuation Date**” means, in respect of a Share, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

“**Settlement Cycle**” means, in respect of a Share, the period of Clearance System Business Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

“**Share**” means in the case of an issue of Notes relating to a Share Basket, each Share and, in the case of an issue of Notes relating to a single Share, the Share, in each case specified in the applicable Final Terms, and related expressions shall be construed accordingly.

“**Share Basket**” means a basket composed of Shares in the relative proportions or numbers of Shares, as specified in the applicable Final Terms.

“**Share Issuer**” means, in respect of a Share, the issuer of the relevant Share.

“**Share Price**” means the price per Share as determined by the Calculation Agent as at the relevant date.

“**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal, or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining, or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of a Share Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

“**Tender Offer Date**” means, in respect of a Tender Offer, or, the date on which voting Shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

“**Trade Date**” means the date as specified in the applicable Final Terms, or as otherwise determined by the Calculation Agent, in its sole discretion.

“**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Reference Date does not or is not deemed to occur.

“**Valuation Date**” means, in respect of a Share, each date specified as such or otherwise determined as provided in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

10. Additional Basket Valuation Provisions

10.1 In relation to any Notes to which these Share Linked Conditions apply, if the applicable Final Terms specify that:

- (i) “Basket Valuation (Common Disrupted Day Roll)” shall apply to any two or more Shares (such Shares being “**Basket Shares**” and each a “**Basket Share**”), then, notwithstanding the provisions of paragraph 1 above, the provisions of paragraphs 10.1, 10.2, 10.3, and 10.5 of the Share Linked Conditions shall apply to each such Basket Share; or
- (ii) “Basket Valuation (Common Scheduled Trading Day Roll)” shall apply to any two or more Shares (such Shares being “**Basket Shares**” and each a “**Basket Share**”), then, notwithstanding the provisions of paragraph 1 above, the provisions of paragraphs 10.1, 10.4, and 10.5 of these Share Linked Conditions shall apply to each such Basket Share.

10.2 In relation to Basket Shares to which “Basket Valuation (Common Disrupted Day Roll)” applies, for each Reference Date for a Basket Share (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been such Reference Date is affected by the occurrence of a Disrupted Day for any Basket Share (as determined by the Calculation Agent), such Reference Date shall be the first succeeding Common Scheduled Trading Day which the Calculation Agent determines is not a Disrupted Day for any Basket Share, unless the Calculation Agent determines that each of the consecutive Common Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that would have been such Reference Date is a Disrupted Day for one or more Basket Shares (such Basket Shares being “**Affected Basket Shares**” for such Reference Date, and each such Basket Share being an “**Affected Basket Share**” for such Reference Date). In that case:

- (i) that last consecutive Common Scheduled Trading Day shall be deemed to be such Reference Date, notwithstanding the fact that such day is a Disrupted Day for the Affected Basket Shares;
- (ii) for each Basket Share other than an Affected Basket Share, the relevant Share Price shall be determined by the Calculation Agent at the applicable Valuation Time on such last consecutive Common Scheduled Trading Day; and
- (iii) for each Affected Basket Share, the Calculation Agent shall determine its good faith estimate of the value for the Affected Basket Share as of the Valuation Time on that last consecutive Common Scheduled Trading Day (and such determination by the Calculation Agent pursuant to this paragraph (iii) shall be deemed to be the Share Price at the Valuation Time of such Affected Basket Share in respect of the relevant Reference Date).

10.3 In relation to the Basket Shares to which “Basket Valuation (Common Disrupted Day Roll)” applies, for each Averaging Reference Date for a Basket Share (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been an Averaging Reference Date is affected by the occurrence of a Disrupted Day for any Basket Share (as determined by the Calculation Agent), and, if in the applicable Final Terms the consequence specified is:

- (i) “**Omission**”, then the Averaging Reference Date corresponding to such original date will be deemed not to be a relevant Averaging Reference Date for the purposes of determining the Share Price of each Basket Share at the Valuation Time, provided that, if through the operation of this provision there would not be an Averaging Reference Date, then paragraph 10.2(iii) of these Share Linked Conditions will apply *mutatis mutandis* for the purposes of determining the relevant Share Price at the Valuation Time on the final Averaging Reference Date, as if such Averaging Reference Date were a Reference Date on which a Disrupted Day had occurred for the relevant Basket Share;
- (ii) “**Postponement**”, then paragraph 10.2 of these Share Linked Conditions will apply *mutatis mutandis* for the purposes of determining the Share Price at the Valuation Time on that Averaging Reference Date as if such original date were a Reference Date that was not a Common Scheduled Trading Day and/or was a Disrupted Day for one or more Basket Shares, irrespective of whether, pursuant to such determination, that deferred Averaging Reference Date would fall on a day that already is or is deemed to be an Averaging Reference Date; or
- (iii) “**Modified Postponement**”, then the Averaging Reference Date for each Basket Share shall be the first succeeding Basket Valid Date in relation to such Basket Shares. If the first succeeding Basket Valid Date in relation to such Basket Shares has not occurred as of the Valuation Time on the date which falls the number of consecutive Common Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Reference Date or Disrupted Day, would have been the final Averaging Reference Date, then (a) that last consecutive Common Scheduled Trading Day shall be deemed the Averaging Reference Date (irrespective of whether that last consecutive Common Scheduled Trading Day is already an Averaging Reference Date) for all Basket Shares, and (b) the Calculation Agent shall determine the Share Price of each Basket Share at the Valuation Time for that Averaging Reference Date in accordance with paragraph 10.2(ii) and (iii) of these Share Linked Conditions, which shall apply *mutatis mutandis* as if such Averaging Reference Date were a Reference Date.

10.4 In relation to Basket Shares to which “Basket Valuation (Common Scheduled Trading Day Roll)” applies:

- (i) for each Reference Date for a Basket Share (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been such Reference Date is not a Common Scheduled Trading Day (as determined by the Calculation Agent), such Reference Date shall be the first succeeding Common Scheduled Trading Day. If such first succeeding Common Scheduled Trading Day is a Disrupted Day for one or more Basket Shares, then the Share Price of each Basket Share shall be determined in accordance with paragraph 1.1(ii) or paragraph 10.2 of these Share Linked Conditions as specified in the applicable Final Terms; and
- (ii) for each Averaging Reference Date for a Basket Share (unless otherwise, and to the extent, specified in the applicable Final Terms), if the original date that would have been such Averaging Reference Date is not a Common Scheduled Trading Day (as determined by the Calculation Agent), such Averaging Reference Date shall be the first succeeding Common Scheduled Trading Day. If such first succeeding Common Scheduled Trading Day is a Disrupted Day for one or more Basket Share, then the Share Price of each Basket Share shall be determined in accordance with paragraph 1.2 or paragraph 10.3 of these Share Linked Conditions as specified in the applicable Final Terms.

10.5 The following terms and expressions shall have the following meanings in relation to any Notes to which these Share Linked Conditions apply and to which “Basket Valuation (Common Disrupted Day Roll)” and/or “Basket Valuation (Common Scheduled Trading Day Roll)” shall apply:

“**Basket Valid Date**” means a Common Scheduled Trading Day for all Basket Shares that is not a Disrupted Day for any Basket Share and on which another Averaging Reference Date does not or is not deemed to occur.

“**Common Observation Date**” means, in respect of the Basket Shares and a Common Observation Period, and unless otherwise provided in the applicable Final Terms, in respect of the Basket Shares, each Common Scheduled Trading Day falling in the Common Observation Period which is not a Disrupted Day for any Basket Shares.

“**Common Observation Period**” means, in respect of Basket Shares, the period commencing on the Common Observation Period Start Date and ending on the Common Observation Period End Date.

“**Common Observation Period End Date**” means, in respect of Basket Shares, the date specified as such in the applicable Final Terms, which shall be the last day of the relevant Common Observation Period. Such day shall be included in or excluded from such Common Observation Period, as specified in the applicable Final Terms.

“**Common Observation Period Start Date**” means, in respect of Basket Shares, the date specified as such in the applicable Final Terms, which shall be the first day of the relevant Common Observation Period. Such day shall be included in or excluded from such Common Observation Period, as specified in the applicable Final Terms.

“**Common Scheduled Trading Day**” means, in respect of Basket Shares, each day which is a Scheduled Trading Day for all Basket Shares.

11. ADR Provisions

In relation to any Notes to which these Share Linked Conditions apply and for which the applicable Final Terms specify that the ADR Provisions shall be applicable, the provisions of, and the terms and expressions defined in, this paragraph 11, shall, unless otherwise specified in the applicable Final Terms, apply:

- (i) The definition of “Potential Adjustment Event” in paragraph 6.1 of these Share Linked Conditions shall include, in relation to the ADRs:
 - (a) the occurrence of any Potential Adjustment Event in relation to the Underlying Share or any other shares or securities represented by the ADRs; and
 - (b) the making of any amendment or supplement to the terms of the Deposit Agreement.
- (ii) The definition of “Merger Event” in paragraph 9 of these Share Linked Conditions shall include, in relation to ADRs, the occurrence of any Merger Event in relation to the Underlying Share.
- (iii) If the Deposit Agreement is terminated, then on or after the date of such termination, references to ADRs shall be replaced by references to the Underlying Share and the Calculation Agent will adjust any relevant terms and will determine the effective date of such replacement and adjustments.

- (iv) The definitions of “Nationalization” and “Insolvency” in paragraph 9 of these Share Linked Conditions shall be construed in relation to the ADRs as if references herein to the ADRs of the Share Company were references to the Underlying Share.
- (v) The definition of “Market Disruption Event” in paragraph 2.1 of these Share Linked Conditions shall include, in relation to the ADRs, the occurrence of a Market Disruption Event in relation to the Underlying Share, and, only for the purpose of determining whether a Market Disruption Event has occurred in relation to an Underlying Share, each reference in these Share Linked Conditions to “Share” or “Shares” shall be construed as a reference to “Underlying Share” or “Underlying Shares”, respectively.
- (vi) The following terms shall have the following meanings in relation to ADRs:

“**ADRs**” means the American depositary receipts specified in the applicable Final Terms.

“**Deposit Agreement**” means the agreement or other instrument constituting the ADRs, as from time to time amended or supplemented in accordance with its terms.

“**Depository**” means the depository of the ADRs appointed as such in or under the terms of the Deposit Agreement or any successor depository thereunder.

“**Share Company**” means (a) both the Depository and the Underlying Share Issuer in respect of the ADRs, and (b) for all other purposes in relation to the Notes, the Depository.

“**Underlying Shares**” means such shares of the Underlying Share Issuer as are specified in the applicable Final Terms.

“**Underlying Share Issuer**” shall be as specified in the applicable Final Terms.

ANNEX 3

ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED NOTES

*The terms and conditions applicable to Inflation Linked Notes shall comprise the Terms and Conditions of the Notes and the additional Terms and Conditions set out below (the “**Inflation Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Terms and Conditions of the Notes, and the Inflation Linked Conditions, the Inflation Linked Conditions shall prevail. In the event of any inconsistency between (i) the Terms and Conditions of the Notes and/or the Inflation Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. **Delay of Publication**

1.1 If any level of the Index for a Reference Month which is relevant for any calculation of any value or payment of any amount under the Notes (a “**Relevant Level**”) has not been published or announced by the Inflation Cut-Off Date in respect of any payment date under the Notes, the Calculation Agent shall determine a substitute Index level (“**Substitute Index Level**”) in place of such Relevant Level by using the following methodology:

- (a) if applicable, the Calculation Agent will take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken by the calculation agent pursuant to the terms and conditions of the Related Bond;
- (b) if (a) does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Calculation Agent shall determine the Substitute Index Level as follows:

Substitute Index Level = Base Level x (Latest Level/Reference Level)

Where:

“**Base Level**” means the level of the Index (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

“**Latest Level**” means the latest level of the Index (excluding any “flash” estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Index Level is being calculated.

“**Reference Level**” means the level of the Index (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in “Latest Level” above.

1.2 If a Relevant Level is published or announced at any time after the Inflation Cut-Off Date in respect of any payment date under the Notes, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to paragraph 1.1 above will be the definitive level of the Index for that Reference Month.

2. **Cessation of Publication**

If a level for the Index has not been published or announced for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce the Index, then the Calculation Agent shall determine a successor to a Successor Index (in lieu of any previously applicable Index) with respect to the Notes by using the following methodology:

- (i) If at any time (other than after an Additional Termination Event has been designated by the Calculation Agent pursuant to paragraph 2(v) below) a successor index has been designated by the calculation agent pursuant to the terms and conditions of the Related Bond (if applicable), such successor index shall be designated a “Successor Index” for the purposes of all subsequent payment dates in relation to the Notes, notwithstanding that any other Successor Index may previously have been determined under paragraphs 2(ii), (iii), or (iv) below.
- (ii) If a Successor Index has not been determined under paragraph 2(i) above (and there has been no designation of an Additional Termination Event pursuant to paragraph 2(v) below), and a notice has been given or an announcement has been made by an Index Sponsor, specifying that the Index will be superseded by a replacement index specified by the Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, then such replacement index shall be the Index from the date that such replacement Index comes into effect.
- (iii) If a Successor Index has not been determined under paragraphs 2(i) or (ii) above (and there has been no designation of an Additional Termination Event pursuant to paragraph 2(v) below), the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, that index will be deemed the “Successor Index”. If three responses are received, and two or more leading independent dealers state the same index, that index will be deemed the “Successor Index” in respect of the Notes from the date such index is deemed the “Successor Index”. If fewer than three responses are received, the “Successor Index” will be determined under paragraph 2(iv) below.
- (iv) If a Successor Index has not been determined under paragraphs 2(i), (ii), or (iii) above, by the Inflation Cut-Off Date falling before the next payment date to occur under the Notes, the Calculation Agent will, in its sole discretion, determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a “Successor Index”.
- (v) If the Calculation Agent determines that there is no appropriate alternative index, an “**Additional Termination Event**” shall be deemed to occur.

3. **Rebasing of the Index**

If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the “**Rebased Index**”) will be used for purposes of determining the level of the Index from the date of such rebasing; provided, however, that the Calculation Agent shall make adjustments as are made by the calculation agent pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. If there is no Related Bond, the Calculation Agent shall make such adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Notes.

4. **Material Modification prior to Payment Date**

If, on or prior to the Inflation Cut-Off Date in respect of any payment date under the Notes, the Index Sponsor for the Index announces that it will make a material change to the Index, then the Calculation Agent shall make any such adjustments to the Index consistent with the adjustments made to

the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Index to continue as the Index.

5. **Manifest Error in Publication**

If (i) within 30 days of publication, or (ii) if an earlier and if a Correction Cut-off Date is specified in the applicable Final Terms to be applicable to the relevant payment date under the Notes, on or before such Correction Cut-off Date, the Calculation Agent determines that the Index Sponsor has corrected the level of the Index to remedy a manifest error in its original publication, the Calculation Agent will determine the amount that is payable as a result of that correction and, to the extent necessary, will adjust any relevant terms of the Notes to account for any such correction.

6. **Additional Termination Event**

- (i) If an Additional Termination Event occurs, the Issuer, in its sole and absolute discretion, may:
 - (A) require the Calculation Agent to determine, in its sole and absolute discretion, the appropriate adjustment, if any, to be made to any of the terms of these Conditions and/or the applicable Final Terms to account for the Additional Termination Event and determine the effective date of that adjustment; or
 - (B) redeem the Notes by giving notice to Noteholders in accordance with Condition 14, as the case may be. If the Notes are so redeemed, the Issuer will pay to each Noteholder, in respect of each Note held by such Noteholder, an amount equal to the Early Redemption Amount of such Note. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14, as the case may be.
- (ii) Upon the occurrence of an applicable Additional Termination Event, the Issuer shall give notice, as soon as practicable, to the Noteholders in accordance with Condition 14, as the case may be stating the occurrence of the Additional Termination Event, giving details thereof and the action proposed to be taken in relation thereto.

7. **Definitions**

“**Affected Payment Date**” means each payment date under the Notes in respect of which an Index level has not been published or announced.

“**Correction Cut-off Date**” means, in respect of a payment date under the Notes, the fifth Business Day prior to such payment date, or such other date specified in the applicable Final Terms.

“**Fallback Bond**” means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (i) the same day as the Maturity Date or the Settlement Date, as the case may be, (ii) the next longest maturity after the Maturity Date or the Settlement Date, as the case may be, if there is no such bond maturing on the Maturity Date or the Settlement Date, as the case may be, or (iii) the next shortest maturity before the Maturity Date or the Settlement Date, as the case may be, if no bond defined in (i) or (ii) above is selected by the Calculation Agent. If the Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany, or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback

Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond is redeemed, the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“**Index**” means each index specified as such in the applicable Final Terms, which may be specified by reference to an Index Description or otherwise, or any Successor Index.

“**Index Description**” means any description of an Index as set out in the 2006 ISDA Inflation Derivatives Definitions, published by the International Swaps and Derivatives Association, Inc., as amended up to and including the date of the applicable Final Terms.

“**Index Sponsor**” means the entity specified as such in the applicable Final Terms, or, if none is specified the entity that publishes or announces (directly or through an agent) the level of the relevant Index.

“**Inflation Cut-Off Date**” means, in respect of each payment date under the Notes, the fifth Business Day prior to such payment date, or such other date specified as such in the applicable Final Terms.

“**Reference Month**” means each calendar month for which the level of the Index was reported, regardless of when such information is published or announced. If the period for which the level of the Index was reported is a period other than a month, the Reference Month is the period for which the level of the Index was reported (as determined by the Calculation Agent).

“**Related Bond**” means the bond specified as such in the applicable Final Terms, or, if no bond is so specified, the Fallback Bond. If no bond is specified as the Related Bond and “Fallback Bond” is specified in the applicable Final Terms as being “Not Applicable”, there shall be no Related Bond for the purposes of the Notes. If a bond is specified as the Related Bond, and that bond is redeemed or matures prior to the Maturity Date or the Settlement Date, as the case may be, unless “Fallback Bond” is specified in the applicable Final Terms as being “Not Applicable”, the Calculation Agent shall use the Fallback Bond for any Related Bond determination in respect of the Notes.

“**Successor Index**” means an alternative index determined pursuant to the provisions of Inflation Linked Condition 2.

ANNEX 4

ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED NOTES

The terms and conditions applicable to Commodity Linked Notes shall comprise the Terms and Conditions of the Notes and the additional Terms and Conditions set out below (the “Commodity Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Terms and Conditions of the Notes, and the Commodity Linked Conditions, the Commodity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Terms and Conditions of the Notes and/or the Commodity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. Consequences of Market Disruption Events

If the Calculation Agent determines that a Market Disruption Event has occurred or exists on a day that is a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source), the Relevant Price for that Pricing Date will be determined in accordance with the first Disruption Fallback (applied in accordance with its terms) specified as being applicable in the applicable Final Terms. The applicable Final Terms may provide that one or more Disruption Fallbacks may apply to any Pricing Date, and that such applicable Disruption Fallbacks may apply concurrently or sequentially, in such manner as specified in the applicable Final Terms.

2. Market Disruption Events

“**Market Disruption Event**” means, in respect of a relevant Commodity, an event that, if provided by the applicable Final Terms to be applicable to the Notes, or if otherwise deemed to be applicable pursuant to this paragraph 2, would give rise, in accordance with an applicable Disruption Fallback, to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price were the event to occur or exist on a day that is a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source).

The following events, if specified in the applicable Final Terms to be applicable, shall be Market Disruption Events:

- (a) “**Price Source Disruption**” means (A) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; (B) the temporary or permanent discontinuance or unavailability of the Price Source; (C) if the Commodity Reference Price is “Commodity-Reference Dealers”, the failure to obtain at least three quotations as requested from the relevant Reference Dealers; or (D) if a Price Materiality Percentage is specified in the applicable Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price “Commodity — Reference Dealers” by such Price Materiality Percentage.
- (b) “**Trading Disruption**” means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange, or in any additional futures contract, options contract, or commodity on any Exchange as specified in the applicable Final Terms or as determined by the Calculation Agent. For these purposes:
 - (i) a suspension of the trading in the Futures Contract or the Commodity on any Commodity Business Day shall be deemed to be material only if:

- (1) all trading in the Futures Contract or the Commodity is suspended for the entire Pricing Date; or
 - (2) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract, or such Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in the Futures Contract or the Commodity on any Commodity Business Day shall be deemed to be material only if the Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity on such day is at the upper or lower limit of that range.
- (c) **“Disappearance of Commodity Reference Price”** means (A) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange; (B) the disappearance of, or of trading in, the relevant Commodity; or (C) the disappearance or permanent discontinuation or unavailability of the Commodity Reference Price, notwithstanding the availability of the Price Source or the status of trading in the relevant Futures Contracts or the relevant Commodity.
- (d) **“Material Change in Formula”** means the occurrence since the Trade Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price.
- (e) **“Material Change in Content”** means the occurrence since the Trade Date of a material change in the content, composition, or constitution of the Commodity or relevant Futures Contract.
- (f) **“Tax Disruption”** means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording, or similar tax on, or measured by reference to, the relevant Commodity (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change, or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change, or removal.

If the applicable Final Terms do not specify any Market Disruption Events as being applicable, the Market Disruption Events specified in paragraphs 2(a) to 2(e) (inclusive) shall be deemed to apply, except where the “Additional Bullion Provisions” are specified in the applicable Final Terms to be applicable, in which case the Market Disruption Events specified in paragraphs 2(a) to 2(c) (inclusive) shall be deemed to apply.

3. **Disruption Fallbacks**

The following events, if specified in the applicable Final Terms to be applicable in respect of a Pricing Date, shall be **“Disruption Fallbacks”** (provided that (i) different Disruption Fallbacks may be applicable in respect of different Pricing Dates, as specified in the applicable Final Terms, and (ii) unless otherwise provided in the applicable Final Terms, for each Pricing Date, the Calculation Agent Determination shall be deemed to be specified as the final, or if no other Disruption Fallback is specified or if Disruption Fallback is specified not to be applicable, Disruption Fallback):

- (i) **“Fallback Reference Dealers”** means that the Relevant Price will be determined in accordance with the Commodity Reference Price, “Commodity — Reference Dealers”.
- (ii) **“Fallback Reference Price”** means that the Calculation Agent will determine the Relevant Price based on the price for that Pricing Date of the first alternate Commodity Reference Price, if any, specified in the applicable Final Terms and not subject to a Market Disruption Event.
- (iii) **“Postponement”** means that the Pricing Date will be deemed, for the purposes of the application of this Disruption Fallback only, to be the first succeeding Commodity Business Day on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date) (a) for consecutive Commodity Business Days equal in number to the Maximum Days of Disruption, or (b) if earlier, on the Fallback Pricing Date (if any) specified in the applicable Final Terms to be applicable to the Pricing Date. In that case, the next Disruption Fallback specified in the applicable Final Terms will apply, provided that if (b) above applies, the next Disruption Fallback shall be “Calculation Agent Determination”.
- (iv) **“Calculation Agent Determination”** means that the Calculation Agent will determine the Relevant Price (or a method for determining a Relevant Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.
- (v) **“Delayed Publication or Announcement”** means that the Relevant Price for a Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the Price Source retrospectively on the first succeeding Commodity Business Day on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date) or the Relevant Price continues to be unavailable (a) for consecutive Commodity Business Days equal in number to the Maximum Days of Disruption, or (b) if earlier, on the Fallback Pricing Date (if any) specified in the applicable Final Terms to be applicable to the Pricing Date. In that case, the next Disruption Fallback specified in the applicable Final Terms will apply, provided that if (b) above applies, the next Disruption Fallback shall be “Calculation Agent Determination”.

4. **Corrections to Published Prices**

If the price published or announced on a given day and used or to be used by the Calculation Agent to determine a Relevant Price on any Pricing Date is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement (i) by the thirtieth (30th) calendar day (or such other time frame as may be specified in the applicable Final Terms; provided that different time frames may be specified in the applicable Final Terms for different days or Pricing Dates) after the original publication or announcement, or (ii) if earlier and if a Correction Cut-off Date is specified in the applicable Final Terms to be applicable to such Pricing Date, such Correction Cut-off Date, such corrected price shall be the Relevant Price, and the Calculation Agent, to the extent it deems necessary, may make such adjustments to any of the terms of the Notes that it determines in its sole and absolute discretion to account for such correction.

5. **Successor Entity Calculates and Reports a Price**

If in respect of any relevant Pricing Date, either a Commodity Reference Price is (i) not calculated and announced by the Exchange but is calculated and announced by a successor entity acceptable to the

Calculation Agent, or (ii) replaced by a successor commodity price calculated using, as determined by the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Commodity Reference Price, then in each case, such price as so calculated will be deemed to be the Commodity Reference Price.

6. Definitions

The following terms and expressions shall have the following meanings in relation to Notes to which these Commodity Linked Conditions apply:

“**Commodity**” means the commodity specified in the applicable Final Terms.

“**Commodity Business Day**” means:

- (i) where the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and
- (ii) where the Commodity Reference Price is not a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price.

“**Commodity Definitions**” means the 2005 ISDA Commodity Definitions, published by the International Swaps and Derivatives Association, Inc., as amended, up to and including the date of the applicable Final Terms.

“**Commodity-Reference Dealers**” means that the price for a Pricing Date will be determined on the basis of quotations provided by Reference Dealers on that Pricing Date of that day’s Specified Price for a Unit of the relevant Commodity for delivery on the Delivery Date. If four quotations are provided as requested, the price for that Pricing Date will be the arithmetic mean of the Specified Prices for that Commodity provided by each Reference Dealer, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the price for that Pricing Date will be the Specified Price provided by the relevant Reference Dealer that remains after disregarding the Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest or lowest value, then the Specified Price of one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for the Pricing Date cannot be determined.

“**Commodity Reference Price**” means such reference price as is specified in the applicable Final Terms by reference to the Commodity Reference Prices set out in the Annex to the Commodity Definitions, provided that the applicable Final Terms may specify a Commodity Reference Price that is not set forth in that Annex and instead specify:

- (i) if that Commodity Reference Price is a price announced or published by an Exchange, (1) the relevant Commodity (including, if relevant, the type or grade of that Commodity, the location of delivery, and any other details); (2) the relevant Unit; (3) the relevant Exchange; (4) the relevant currency in which the Specified Price is expressed; (5) the Specified Price and; if applicable, (6) the Delivery Date, in which case the price for a Pricing Date will be that day’s Specified Price per Unit of that Commodity on that Exchange and, if applicable, for delivery on that Delivery Date, stated in that currency, as announced or published by that Exchange on that Pricing Date; and

- (ii) if that Commodity Reference Price is not a price announced or published by an Exchange, (1) the relevant Commodity (including, if relevant, the type or grade of that Commodity, the location of delivery and any other details); (2) the relevant Unit; (3) the relevant Price Source (and, if applicable, the location in that Price Source of the Specified Price (or the prices from which the Specified Price is calculated)); (4) the relevant currency in which the Specified Price is expressed; (5) the Specified Price; and (6) if applicable, the Delivery Date, in which case the price for a Pricing Date will be that day's Specified Price per Unit of that Commodity and, if applicable, for that Delivery Date, stated in that currency, published (or shown) in the issue of that Price Source that reports prices effective on that Pricing Date.

“Correction Cut-off Date” means, in respect of a Commodity Reference Price and any relevant date, each date specified in the applicable Final Terms in relation to such relevant date after which all corrections of the Specified Price or Commodity Reference Price, as the case may be, originally calculated and/or published by the Price Source or the Exchange, as the case may be, on or before such relevant date, shall be disregarded for the purposes of any calculations to be made using, or determinations to be made by reference to, such Specified Price or Commodity Reference Price.

“Delivery Date” means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

- (i) if a date is, or a month and year are, specified in the applicable Final Terms, that date or that month and year;
- (ii) if a Nearby Month is specified in the applicable Final Terms, the month of expiration of the relevant Futures Contract; and
- (iii) if a method is specified for the purpose of determining the Delivery Date in the applicable Final Terms, the date or the month and year determined pursuant to that method.

“Exchange” means the exchange or principal trading market specified in the applicable Final Terms or Commodity Reference Price.

“Fallback Pricing Date” means, in respect of a Commodity Reference Price and any relevant date, each date specified in the applicable Final Terms as the Fallback Pricing Date in relation to such relevant date.

“Futures Contract” means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity referred to in that Commodity Reference Price.

“Maximum Days of Disruption” means the number of Commodity Business Days or such other type of days specified in the applicable Final Terms (generally or in respect of specified Pricing Dates) and, if no such number is so specified, five Commodity Business Days.

“Nearby Month”, when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (i) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following the Pricing Date; (ii) “Second Nearby Month” means the month of expiration of the second Futures Contract to expire following the Pricing Date; and (iii) “Sixth Nearby Month” means the month of expiration of the sixth Futures Contract to expire following the Pricing Date.

“Price Materiality Percentage” means the percentage specified as such in the applicable Final Terms.

“**Price Source**” means the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the relevant Commodity Reference Price or in the applicable Final Terms.

“**Pricing Date**” means, in respect of a Commodity, each date specified as such in the applicable Final Terms (or determined pursuant to a method specified for such purpose), which date is a day in respect of which a Relevant Price is to be determined, provided that:

- (i) if the Scheduled Pricing Date corresponding to such Pricing Date is not a Commodity Business Day for such Commodity, then such Pricing Date will be the (a) the next following Commodity Business Day for such Commodity or (b) if earlier and if a Fallback Pricing Date is specified in the applicable Final Terms to be applicable to such Pricing Date, such Fallback Pricing Date; and
- (ii) if such Pricing Date falls on the Fallback Pricing Date pursuant to (i) above and such Fallback Pricing Date is not a Commodity Business Day in respect of the relevant Commodity, then the Specified Price or Commodity Reference Price, as the case may be, of such Commodity on such Pricing Date shall be determined by the Calculation Agent on the basis that a Market Disruption Event has occurred on such Pricing Date in respect of the relevant Commodity.

“**Reference Dealers**” means, if the relevant Commodity Reference Price is “Commodity-Reference Dealers”, the four dealers specified in the applicable Final Terms or, if dealers are not so specified, four leading dealers in the relevant market selected by the Calculation Agent.

“**Relevant Price**” means, for any Pricing Date, the price, expressed as a price per Unit, determined with respect to that day for the relevant Commodity Reference Price.

“**Scheduled Pricing Date**” means, in respect of a Commodity and a Pricing Date, such original date that, but for such day not being a Commodity Business Day for such Commodity or for the occurrence of a Market Disruption Event in relation to the corresponding Pricing Date, would have been such Pricing Date.

“**Specified Price**” means, in respect of a Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (A) the high price; (B) the low price; (C) the average of the high price and the low price; (D) the closing price; (E) the opening price; (F) the bid price; (G) the asked price; (H) the average of the bid price and the asked price; (I) the settlement price; (J) the official settlement price; (K) the official price; (L) the morning fixing; (M) the afternoon fixing; (N) the spot price; or (O) any other price specified in the applicable Final Terms.

“**Trade Date**” means the date as specified in the applicable Final Terms, or as otherwise determined by the Calculation Agent, in its sole discretion.

“**Unit**” means the unit of measure of the relevant Commodity, as specified in the relevant Commodity Reference Price or the applicable Final Terms.

7. Additional Bullion Provisions

- 7.1 In relation to any Notes to which these Commodity Linked Conditions apply, if the applicable Final Terms specify that the “Additional Bullion Provisions” shall apply to any Commodity, then, in respect of such Commodity, paragraphs 1 to 6 (inclusive) of these Commodity Linked Conditions shall be deemed to be amended as follows:

- (i) each reference to “Commodity Business Day” shall be deemed to be a reference to “Bullion Business Day”; and
- (ii) each reference to “Reference Dealers” shall be deemed to be a reference to “Bullion Reference Dealers”.

7.2 The following terms and expressions shall have the following meanings in relation to any Note to which the “Additional Bullion Provisions” shall apply:

“**Bullion Business Day**” means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York and (if applicable) in such Bullion Business Day Centers specified in the applicable Final Terms.

“**Bullion Business Day Centers**” means such places as may be specified in the applicable Final Terms.

“**Bullion Reference Dealers**” means, if the relevant Commodity Reference Price is “Commodity-Reference Dealers”, the four major dealers that are members of The London Bullion Market Association (the “**LBMA**”) specified in the applicable Final Terms, or if no such Bullion Reference Dealers are specified, selected by the Calculation Agent, in each case, acting through their principal London offices.

“**Gold**” means gold bars or unallocated gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect, unless otherwise specified in the applicable Final Terms.

“**Ounce**” means, in the case of Gold, a fine troy ounce, and in the case of Silver, Platinum, and Palladium, a troy ounce.

“**Palladium**” means palladium ingots or plate or unallocated palladium complying with the rules of The London Platinum and Palladium Market (the “**LPPM**”) relating to good delivery and fineness from time to time in effect, unless otherwise specified in the applicable Final Terms.

“**Platinum**” means platinum ingots or plate or unallocated platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect, unless otherwise specified in the applicable Final Terms.

“**Silver**” means silver bars or unallocated silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect, unless otherwise specified in the applicable Final Terms.

8. Additional Common Pricing Provisions

In relation to any Notes to which these Commodity Linked Conditions apply, if the applicable Final Terms specify that the “Common Pricing” shall apply to any two or more Commodity Reference Prices, no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined on the Trade Date or, if none is specified in the applicable Final Terms, on the date of the applicable Final Terms.

ANNEX 5

ADDITIONAL TERMS AND CONDITIONS FOR FX LINKED NOTES

The terms and conditions applicable to FX Linked Notes shall comprise the Terms and Conditions of the Notes and the additional Terms and Conditions set out below (the “FX Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Terms and Conditions of the Notes and the FX Linked Conditions, the FX Linked Conditions shall prevail. In the event of any inconsistency between (i) the Terms and Conditions of the Notes and/or FX Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. Consequences of Disruption Events

If the Calculation Agent determines that a Disruption Event has occurred and is continuing in relation to a relevant Calculation Rate for an FX Valuation Date (or, if different, the day on which rates for that FX Valuation Date would, in the ordinary course, be published or announced by the relevant price source), then the Calculation Rate for such FX Valuation Date will be determined in accordance with the terms of the first applicable Disruption Fallback. The applicable Final Terms may provide that one or more Disruption Fallbacks may apply to any FX Valuation Date, and that such applicable Disruption Fallbacks may apply concurrently or sequentially, in such manner as specified in the applicable Final Terms.

2. Disruption Events

“**Disruption Event**” means, in respect of an FX Valuation Date, an event that, if provided by the applicable Final Terms to be applicable to the Notes, or if deemed to be applicable to the Notes pursuant to this paragraph 2, would give rise, in accordance with an applicable Disruption Fallback, to an alternative basis for determining a Calculation Rate for such FX Valuation Date.

The following events, if specified in the applicable Final Terms to be applicable, shall be Disruption Events:

- (i) “**Dual Exchange Rate**” means, with respect to the Settlement Rate Option applicable to determining the Calculation Rate for the relevant FX Valuation Date, that the currency exchange rate specified in such Settlement Rate Option splits into dual or multiple currency exchange rates.
- (ii) “**General Inconvertibility**” means the occurrence of any event that generally makes it impossible to convert the Event Currency into the Non-Event Currency in the Event Currency Jurisdiction through customary legal channels.
- (iii) “**General Non-Transferability**” means the occurrence of any event that generally makes it impossible to deliver (A) the Non-Event Currency from accounts inside the Event Currency Jurisdiction to accounts outside the Event Currency Jurisdiction or (B) the Event Currency between accounts inside the Event Currency Jurisdiction or to a party that is a non-resident of the Event Currency Jurisdiction.
- (iv) “**Governmental Authority Default**” means, with respect to any security or indebtedness for borrowed money of, or guaranteed by, any Governmental Authority, the occurrence of a default, event of default, or other similar condition or event (however described) including, but not limited to, (A) the failure of timely payment in full of any principal, interest, or other amounts due (without giving effect to any applicable grace periods) in respect of any such security, indebtedness for borrowed money, or guarantee, (B) a declared moratorium,

standstill, waiver, deferral, Repudiation, or rescheduling of any principal, interest, or other amounts due in respect of any such security, indebtedness for borrowed money, or guarantee or (C) the amendment or modification of the terms and conditions of payment of any principal, interest, or other amounts due in respect of any such security, indebtedness for borrowed money, or guarantee without the consent of all holders of such obligation. The determination of the existence or occurrence of any default, event of default, or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such Governmental Authority to issue or enter into such security, indebtedness for borrowed money, or guarantee.

- (v) “**Illiquidity**” means it becomes impossible to obtain a firm quote of the Calculation Rate for the Minimum Amount (either in one transaction or a commercially reasonable number of transactions that, when taken together, total the Minimum Amount) on the relevant FX Valuation Date (or, if different, the day on which rates for that FX Valuation Date would in the ordinary course, be published or announced by the relevant price source) or by any Illiquidity Valuation Date as is specified for such purpose in the related Confirmation. If an Illiquidity Valuation Date is specified in the applicable Final Terms and an Illiquidity occurs on such date, then for purposes of any relevant Disruption Fallbacks, the Illiquidity Valuation Date will be deemed to be the relevant FX Valuation Date.
- (vi) “**Inconvertibility/Non-Transferability**” means the occurrence of any event which constitutes a General Inconvertibility, a General Non-Transferability, a Specific Inconvertibility, or a Specific Non-Transferability Disruption Event.
- (vii) “**Nationalization**” means any expropriation, confiscation, requisition, nationalization, or other action by any Governmental Authority which deprives the Issuer (or any of its Affiliates), of all or substantially all of its assets in the Event Currency Jurisdiction.
- (viii) “**Price Materiality**” means the Primary Rate differs from the Secondary Rate by at least the Price Materiality Percentage.
- (ix) “**Price Source Disruption**” means it becomes impossible to obtain the Calculation Rate on the relevant FX Valuation Date (or, if different, the day on which rates for that FX Valuation Date would in the ordinary course, be published or announced by the relevant price source).
- (x) “**Specific Inconvertibility**” means the occurrence of any event that makes it impossible for the Issuer (or any of its Affiliates) to convert the Minimum Amount of the Event Currency into the Non-Event Currency in the Event Currency Jurisdiction, other than where such impossibility is due solely to the failure by the Issuer (or any of its Affiliates, as the case may be) to comply with any law, rule, or regulation enacted by any Governmental Authority (unless such law, rule, or regulation is enacted after the Issue Date and it is impossible for the Issuer (or Affiliate, as the case may be), due to an event beyond the control of the Issuer (or Affiliate), to comply with such law, rule, or regulation).
- (xi) “**Specific Non-Transferability**” means the occurrence of any event that makes it impossible for the Issuer (or any of its Affiliates) to deliver (A) the Non-Event Currency from accounts inside the Event Currency Jurisdiction to accounts outside the Event Currency Jurisdiction or (B) the Event Currency between accounts inside the Event Currency Jurisdiction or to a party that is a non-resident of the Event Currency Jurisdiction, other than where such impossibility is due solely to the failure by the Issuer (or any of its Affiliates, as the case may be) to comply with any law, rule, or regulation enacted by any Governmental Authority (unless such law, rule, or regulation is enacted after the Issue Date and it is impossible for the Issuer (or

Affiliate, as the case may be), due to an event beyond the control of the Issuer (or Affiliate), to comply with such law, rule, or regulation).

- (xii) “**Benchmark Obligation Default**” means, with respect to any Benchmark Obligation, the occurrence of a default, event of default or other similar condition or event (however described) including but not limited to, (A) the failure of timely payment in full of any principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of such Benchmark Obligations, (B) a declared moratorium, standstill, waiver, deferral, Repudiation or rescheduling of any principal, interest or other amounts due in respect of such Benchmark Obligation or (C) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of such Benchmark Obligation without the consent of all holders of such Benchmark Obligation. The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of the relevant entity to issue or enter into such Benchmark Obligation.
- (xiii) “**Material Change in Circumstance**” means the occurrence of any event not specified in sub-paragraphs (i) to (xii) (inclusive) above in the Event Currency Jurisdiction beyond the control of the parties to a Hedging Transaction which makes it impossible (A) for a party to fulfil its obligations under that Hedging Transaction and (B) generally to fulfil obligations similar to such party’s obligations under that Hedging Transaction.

Whether or not the applicable Final Terms do specify any Disruption Events as being applicable, “Price Source Disruption” shall automatically be deemed to have been specified as applicable.

If “General Inconvertibility/Non-Transferability” is specified in the applicable Final Terms as a Disruption Event, then the Disruption Events in sub-paragraphs (ii) and (iii) above will be applicable. If “Party Specific Events” is specified in the applicable Final Terms as a Disruption Event, then the Disruption Events in sub-paragraphs (x) and (xi) above will be applicable.

3. **Disruption Fallbacks**

The following events, if specified in the applicable Final Terms to be applicable in respect of an FX Valuation Date, shall be “Disruption Fallbacks” (provided that (i) different Disruption Fallbacks may be applicable in respect of different FX Valuation Dates, as specified in the applicable Final Terms, and (ii) unless otherwise provided in the applicable Final Terms, for each FX Valuation Date, the Calculation Agent Determination shall be deemed to be specified as the final, or if no other Disruption Fallback is specified, the, Disruption Fallback):

- (i) “**Calculation Agent Determination**” means that the Calculation Agent will determine the Calculation Rate (or a method for determining the Calculation Rate), taking into consideration all available information that in good faith it deems relevant.
- (ii) “**Fallback Reference Price**” means, in respect of a Disruption Event which is Dual Exchange Rate, Illiquidity, Price Source Disruption Event, or Price Materiality, that the Calculation Agent will determine the Calculation Rate on the relevant FX Valuation Date (or, if different, the day on which rates for that FX Valuation Date would, in the ordinary course, be published or announced) pursuant to the first of the alternate Settlement Rate Options, if any, specified as a Fallback Reference Price for such purpose in the applicable Final Terms that is not subject to a Disruption Event.
- (iii) “**Postponement**” means, in relation to Notes to which these FX Linked Conditions apply, that the relevant FX Valuation Date will be deemed to be the first succeeding FX Business

Day on which the applicable Disruption Event ceases to exist, unless that Disruption Event continues to exist (measured from the original date that, but for the occurrence of a Disruption Event, would have been the relevant FX Valuation Date) for consecutive FX Business Days equal in number to the Maximum Days of Disruption. In that case, the last such consecutive FX Business Day will be the relevant FX Valuation Date and the next Disruption Fallback specified in the applicable Final Terms will apply.

4. **Certain Published and Displayed Sources**

- 4.1 If the currency exchange rate specified in any applicable Settlement Rate Option is published or announced by more than one price source and the price source referred to in such Settlement Rate Option fails to publish or announce that currency exchange rate on any relevant FX Valuation Date (or, if different, the day on which rates for that date would, in the ordinary course, be published or announced by such price source), then the Calculation Rate for such FX Valuation Date will be determined unless otherwise specified in the applicable Final Terms, as if the applicable Final Terms had specified any other available price source which actually publishes or announces such currency exchange rate on such FX Valuation Date (or, if different, the day on which rates for that date would in the ordinary course, be published or announced by the relevant price source) as the applicable Settlement Rate Option.
- 4.2 If the currency exchange rate specified in the applicable Settlement Rate Option is reported, sanctioned, recognized, published, announced, or adopted (or other similar action) by the relevant Governmental Authority, and such currency exchange rate ceases to exist and is replaced by a successor currency exchange rate that is reported, sanctioned, recognized, published, announced, or adopted (or other similar action) by such Governmental Authority (the “**Official Successor Rate**”), then the Calculation Rate for the relevant FX Valuation Date will be determined, unless otherwise specified in the applicable Final Terms, as if the applicable Final Terms had specified any available price source which publishes or announces the Official Successor Rate (including, but not limited to, an official publication of that Governmental Authority) on such FX Valuation Date (or, if different, the day on which rates for that date would in the ordinary course, be published or announced by the relevant price source) as the applicable Settlement Rate Option.

5. **Corrections to Published Prices**

For purposes of determining the Calculation Rate for any FX Valuation Date:

- (a) In any case where the Calculation Rate for an FX Valuation Date is based on information obtained from the Reuter Monitor Money Rates Service or the Dow Jones Telerate Service, the Calculation Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source.
- (b) Notwithstanding subsection (a) above, in any case where the Calculation Rate for an FX Valuation Date is based on information published or announced by any Governmental Authority in the relevant country, the Calculation Rate will be subject to the corrections, if any, to that information subsequently published or announced by that source within Five FX Business Days of the FX Valuation Date.

6. **Definitions**

The following terms and expressions shall have the following meanings in relation to Notes to which these FX Linked Conditions apply:

“**Benchmark Obligation**” means the Benchmark Obligation, if any, specified in the applicable Final Terms.

“**Calculation Rate**” means, for any FX Valuation Date, the currency exchange rate determined in accordance with the specified (or deemed specified) Settlement Rate Option, or if a Settlement Rate Option is not specified (or deemed specified), the currency exchange rate at the time at which such rate is to be determined for foreign exchange transactions in the relevant Currency Pair on the relevant FX Valuation Date (or, if different, the day on which rates for that FX Valuation Date would, in the ordinary course, be published or announced by the relevant price source), as determined in good faith and in a commercially reasonable manner by the Calculation Agent.

“**Currency**” means any Reference Currency, Settlement Currency, Event Currency, or Non-Event Currency, or any other currency, as specified in the applicable Final Terms, and any lawful successor currency (the “**Successor Currency**”) to any such currency. If, after the Issue Date and on or before any relevant payment date under the Notes, a country has lawfully eliminated, converted, redenominated, or exchanged its currency in effect on the Issue Date or any Successor Currency thereto, as the case may be (the “**Original Currency**”), for a Successor Currency, then for the purposes of calculating any Calculation Rate or any other amounts in respect of the Notes, any Original Currency amounts will be converted to the Successor Currency by multiplying the amounts of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by such country for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination, or exchange took place. If there is more than one such date, the date (as selected by the Calculation Agent) closest to such relevant payment will be selected by the Calculation Agent.

“**Currency Pair**” means the Reference Currency and the Settlement Currency.

“**Event Currency**” means, in respect of an FX Valuation Date, the currency specified as such in the applicable Final Terms or, if such a currency is not specified, the Reference Currency.

“**Event Currency Jurisdiction**” means, in respect of an FX Valuation Date, the country for which the Event Currency is the lawful currency.

“**FX Business Day**” means, in respect of any FX Valuation Date and any Calculation Rate, any day on which commercial banks are open (or, but for the occurrence of any applicable Disruption Event, would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Center of the relevant Reference Currency and in such other financial centers as may be specified in the applicable Final Terms.

“**FX Definitions**” means the 1998 FX and Currency Option Definitions, published by the International Swaps and Derivatives Association, Inc., as amended, up to and including the date of the applicable Final Terms.

“**FX Valuation Date**” means, in respect of Notes to which these FX Linked Conditions are applicable, each date specified as such in the applicable Final Terms (or determined pursuant to a method specified for such purpose) or determined in accordance with paragraph 2(v) above, which date is a day in respect of which a Calculation Rate is to be determined, provided that unless the applicable Final Terms specify otherwise, if the date corresponding to such FX Valuation Date is not an FX Business Day for the relevant Settlement Rate Option, then such FX Valuation Date will instead be the first preceding day that is an FX Business Day.

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative, or other governmental authority or any other entity

(private or public) charged with the regulation of the financial markets (including the central bank) of the Event Currency Jurisdiction.

“Hedging Transaction” means, in respect of an issuance of FX Linked Notes, any transaction entered into by the Issuer with another party in order to hedge the Issuer’s obligations in respect of such Notes.

“Maximum Days of Disruption” means the number of FX Business Days or such other type of days specified in the applicable Final Terms (generally or in respect of specified FX Valuation Dates) and, if no such number is so specified, five FX Business Days.

“Minimum Amount” means, in respect of an FX Valuation Date, the amount specified as such in the applicable Final Terms and for purposes of the definition of Specific Inconvertibility, the Event Currency equivalent of U.S. \$1.

“Non-Event Currency” means, in respect of an FX Valuation Date, the currency of the Currency Pair that is not the Event Currency.

“Price Materiality Percentage” means, in respect of an FX Valuation Date and for purposes of the definition of Price Materiality, the percentage specified as such in the applicable Final Terms.

“Primary Rate” means, in respect of an FX Valuation Date and for purposes of the definition of Price Materiality, the rate determined using the applicable Settlement Rate Option specified for such purpose in the applicable Final Terms.

“Principal Financial Center” means the financial center or centers specified in the applicable Final Terms.

“Reference Currency” means the currency specified as the Reference Currency or the local currency, as the case may be, in the applicable Final Terms.

“Repudiation” means that, in respect of an FX Valuation Date and (i) for purposes of the definition of Governmental Authority Default, the relevant Governmental Authority disaffirms, disclaims, repudiates, or rejects, in whole or in part, or challenges the validity of any security, indebtedness for borrowed money, or guarantee of such Governmental Authority in any material respect, and (ii) for purposes of the definition of Benchmark Obligations, the issuer of, or any party to, as the case may be, the relevant Benchmark Obligation disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of the Benchmark Obligation in any material respect.

“Secondary Rate” means, in respect of an FX Valuation Date and for purposes of the definition of Price Materiality, the rate determined using the applicable Settlement Rate Option specified for such purpose in the applicable Final Terms.

“Settlement Currency” means the currency specified as the Settlement Currency in the applicable Final Terms.

“Settlement Rate Option” means, in respect of the calculation of a Calculation Rate, such currency exchange rate as is specified in the applicable Final Terms by reference to the Settlement Rate Option set out in Annex A to the FX Definitions, provided that, the applicable Final Terms may specify and describe a Settlement Rate Option that is not set forth in Annex A to the FX Definitions.

UNITED STATES TAXATION

TO ENSURE COMPLIANCE WITH U.S. TREASURY DEPARTMENT CIRCULAR 230, NOTEHOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF UNITED STATES FEDERAL TAX ISSUES IN THIS OFFERING CIRCULAR IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON BY NOTEHOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON NOTEHOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER AND ANY DEALER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) NOTEHOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Except as otherwise provided in the applicable Final Terms, the following is a summary of certain United States federal income tax considerations applicable to an investment in the Notes by United States Alien holders who are the original purchasers of the Notes and who, except to the extent specifically provided, have not purchased, and do not hold, the Notes in connection with a United States trade or business. For purposes of the following discussion it is assumed that Bearer Notes will be in bearer form, the Principal Agent will deliver the Bearer Notes to the holders or their agents outside the United States and its possessions and that none of Euroclear or Clearstream, Luxembourg (or the participants of either), the Common Depository, or the Common Safekeeper, as the case may be, is or will act as the Issuer's agent with respect to any matter relating to the Bearer Notes, including ownership thereof or any payments with respect thereto.

This summary is for general information only, and does not purport to discuss all aspects of United States federal income taxation that may be important to a particular holder in light of its circumstances or to holders subject to special tax rules, such as trusts, estates and controlled foreign corporations, or the beneficiaries or stockholders of such entities.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds the Notes, the U.S. federal income tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding the Notes should consult its own tax advisor regarding the U.S. federal income tax consequences to the partner of the acquisition, ownership, and disposition by the partnership of the Notes.

Bearer Notes Other than Structured Notes

In respect of Bearer Notes other than Bearer Notes that are specified as "Structured Notes" in the applicable Final Terms, under the United States federal income tax laws as in effect on the date of this Offering Circular and subject to the discussion below, payments of principal and interest (including original issue discount), if any, by the Issuer or any Paying Agent (acting in its capacity as such) outside the United States and its possessions to any holder of a Bearer Note (other than Dual Currency Notes) who is a United States Alien generally will not be subject to United States federal income or withholding tax, in the case of interest (including original issue discount) provided that:

- (a) such holder does not actually or constructively own 10.00 per cent. or more of the total combined voting power of all classes of stock of the Issuer entitled to vote;
- (b) such holder is not a controlled foreign corporation for United States federal income tax purposes that is related to the Issuer (directly or indirectly) through stock ownership;

- (c) the interest is not received by a bank on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and
- (d) the interest is not effectively connected with the conduct of a trade or business within the United States.

Under Section 871(h)(4)(A) of the Code, payments of certain types of contingent interest to a United States Alien holder (or any foreign partnership without regard to its status as a United States Alien) may be subject to United States withholding tax equal to 30.00 per cent. of each such payment (or such lower amounts as provided by treaty). In addition, interest on Bearer Notes that are Dual Currency Notes may be subject to withholding, depending upon the terms of those Bearer Notes. If any Bearer Note not specified as a Structured Note in the applicable Final Terms bears contingent interest or is a Dual Currency Note, the applicable Final Terms will specify if interest payments on such notes are subject to any United States withholding taxes.

Registered Notes Other than Structured Notes

In respect of Registered Notes other than Registered Notes that are specified as “Structured Notes” in the applicable Final Terms, under the United States federal income tax laws as in effect on the date of this Offering Circular, and subject to the discussion below, payments of principal and interest (including original issue discount), if any, by the Issuer or any Paying Agent (acting in its capacity as such), to any holder of a Registered Note (other than Dual Currency Notes) who is a United States Alien holder generally will not be subject to United States federal income or withholding tax, in the case of interest (including original issue discount) provided that: (i) the requirements of (a) through (d) under “– Bearer Notes” above are met; and (ii) either (A) the holder provides the Issuer (or any paying agent) with a statement which sets forth its address, and certifies, under penalties of perjury, that it is not a United States person (which certification generally may be made on an IRS Form W-8BEN (or successor form)) or (B) a financial institution holding the Registered Note on behalf of the holder certifies, under penalties of perjury (which certification generally may be made on an IRS Form W-8IMY (or successor form)), that it has received and will provide the Issuer (or the paying agent) with a statement described in (A) above (the “**Certification Requirement**”).

Payments to United States Alien holders not meeting the requirements set forth above are subject to withholding at a rate of 30.00 per cent. unless (a) the holder is engaged in a trade or business in the United States and the holder provides the Issuer with a properly executed IRS Form W-8ECI (or successor form) certifying that the payments are effectively connected with the conduct of a trade or business in the United States, or (b) the holder provides the Issuer with a properly executed IRS Form W-8BEN (or successor form) claiming an exemption from, or reduction in the rate of, withholding under the benefit of a tax treaty. To claim benefits under an income tax treaty, a United States Alien holder must obtain a taxpayer identification number and certify as to its eligibility under the appropriate treaty’s limitations on benefits article. In addition, special rules may apply to claims for treaty benefits made by holders that are entities rather than individuals. Under Section 871(h)(4)(A) of the Code, payments of certain types of contingent interest to a United States Alien holder (or any foreign partnership without regard to its status as a United States Alien) may be subject to United States withholding tax equal to 30.00 per cent. of each such payment (or such lower amounts as provided by treaty). In addition, interest on Registered Notes that are Dual Currency Notes may be subject to withholding, depending upon the terms of those Registered Notes. If any Registered Note not specified as a Structured Note in the applicable Final Terms bears contingent interest or is a Dual Currency Note, the applicable Final Terms will specify if interest payments on such notes are subject to any United States withholding taxes.

Structured Notes

Certain Notes will be specified as “Structured Notes” in the applicable Final Terms. The applicable Final Terms will indicate whether the Structured Notes are classified as “Principal Protected” or “Non-Principal Protected” and whether the Issuer will withhold or does not intend to withhold any United States taxes in respect of any payments on Structured Notes. Except to the extent specified in the applicable Final Terms, the Issuer generally intends to withhold on all payments designated as “interest” in the applicable Final Terms (and other amounts subject to withholding) on Structured Notes classified as Non-Principal Protected. Except to the extent specified in the Final Terms, while the United States federal income and withholding tax treatment of a Structured Note will generally depend on the particular terms of such Note, subject to the discussion below, the Issuer generally does not intend to withhold United States federal income tax with respect to payments on Structured Notes classified as Principal Protected, including payments of principal and interest (including original issue discount), if any, by the Issuer or any Paying Agent (acting in its capacity as such) outside the United States and its possession to any holder of such a Note who is a United States Alien, provided that, (i) in the case of interest (including original issue discount), the requirements of (a) through (d) under “–Bearer Notes” above are met for all Notes, and (ii) in respect of Registered Notes, the Certification Requirement is met. All holders should consult the applicable Final Terms as to the Issuer’s intention with respect to withholding. Except to the limited extent set forth in the Terms and Conditions and the applicable Final Terms, the Issuer does not assume any liability for the payment of any tax which it withholds on Structured Notes or any additional amount in respect thereof. Holders of Registered Notes should see the discussion above if the Certification Requirement is not met.

Special rules may apply to payments that are treated as dividends for certain United States federal income tax purposes. The Issuer or its agent will withhold on such payments to the extent required by law notwithstanding any indication to the contrary in the applicable Final Terms.

The United States federal income and withholding tax consequences of certain Structured Notes are uncertain. No statutory, judicial, or administrative authority directly addresses the characterization of such Notes or notes similar to such Notes for United States federal income, withholding, or other tax purposes. All holders should consult their tax advisors regarding the United States federal income and withholding tax consequences to them of holding such Notes.

In December 2007, the IRS released a notice (the “**Notice**”) seeking comments on the taxation of financial instruments referred to as “prepaid forward contracts” including “exchange traded notes”. According to the Notice, the IRS and the U.S. Treasury Department (the “**Treasury**”) are considering whether a holder of such an instrument should be required to accrue ordinary income on a current basis, regardless of whether any payments are made prior to maturity. The IRS and Treasury are also considering additional issues, including whether foreign holders of such instruments should be subject to withholding tax on any deemed income accruals. In addition, in late 2007, legislation was introduced in the United States Congress which, if enacted, would require that a holder that acquires such an instrument after the date of enactment of the legislation accrue income on a current basis in certain circumstances. It is not possible to determine what guidance the IRS and Treasury will ultimately issue, if any, what legislation will be enacted, if any, and whether any such guidance or legislation would be retroactive. Any such guidance or legislation may affect the United States federal income and withholding tax treatment of Structured Notes.

Sale, Exchange or Retirement of the Notes

A United States Alien holder generally will not be subject to United States federal income tax on any gain realized on the sale, exchange, or retirement of a Note (other than gains treated as interest or original issue discount which are subject to the provisions described above, and other than gains treated as

dividends pursuant to United States federal income tax law), provided that (a) the gain is not effectively connected with the conduct of trade or business within the United States, or a permanent establishment maintained in the United States if certain tax treaties apply, (b) in the case of a United States Alien that is an individual, the United States Alien is not present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement of the Note, (c) the Note is not a “United States real property interest” for United States federal income tax purposes, and (d) the United States Alien is not subject to tax pursuant to certain provisions of United States federal income tax law applicable to certain expatriates.

Backup Withholding and Information Reporting for Bearer Notes Other than Structured Notes

A 28.00 per cent. backup withholding tax (which will be increased to 31.00 per cent. for the years 2011 and thereafter) and information reporting requirements apply to certain payments of principal of and interest on an obligation, and payments of the proceeds of the sale of an obligation before maturity, to certain noncorporate United States holders. Under current United States Treasury Department regulations, backup withholding and information reporting will not apply to payments of principal of or interest on a Bearer Note which are made outside the United States (other than payments made to an address in the United States or by transfer to an account maintained by the holder with a bank in the United States) by the Issuer or any Paying Agent (acting in its capacity as such) to a United States Alien holder of a Bearer Note, provided that neither the Issuer nor any such Paying Agent has actual knowledge that the holder is a United States person. In addition, backup withholding and information reporting will not apply to any payment of principal of or interest on a Bearer Note to a beneficial owner of a Bearer Note by a foreign office of a foreign custodian, foreign nominee, or other foreign agent of such beneficial owner, or to any payment of the proceeds of the sale of a Bearer Note by a foreign office of a foreign “broker” (as defined in applicable Treasury Regulations), provided that such nominee, custodian, agent or broker derives less than 50.00 per cent. of its gross income for certain periods from the conduct of a trade or business in the United States and is not (1) a “controlled foreign corporation” as to the United States or (2) a foreign partnership that is either engaged in a United States trade or business or whose United States partners in the aggregate hold more than 50.00 per cent. of the income or capital interests in the partnership within the meaning of the Code. Payment of principal of or interest on a Bearer Note to the beneficial owner thereof by a foreign office of any other custodian, nominee, or agent, and payment by a foreign office of any other broker of the proceeds of a sale of a Bearer Note, will not be subject to backup withholding, but will be subject to information reporting unless the custodian, nominee, agent, or broker has documentary evidence in its records that the beneficial owner is not a United States person and certain conditions are met, or the beneficial owner otherwise establishes an exemption. Payment of principal of or interest on a Bearer Note to the beneficial owner thereof by a United States office of a custodian, nominee, or agent, or the payment by the United States office of a broker of the proceeds of a sale of a Bearer Note, is subject to both backup withholding and information reporting unless the beneficial owner certifies (1) its non-United States status under penalties of perjury and the payor does not have knowledge that the beneficial owner is a United States person or (2) otherwise establishes an exemption. All holders should consult their tax advisors regarding the application of these regulations.

Backup Withholding and Information Reporting for Bearer Notes that Are Structured Notes

The treatment of Structured Notes for purposes of United States backup withholding tax and information reporting requirements will generally depend on the particular terms of such Structured Note, the characteristics of the person or entity making a payment and the payee, and the circumstances of payment. Holders should consult their own tax advisors regarding the application of the backup withholding tax and information reporting rules.

Backup Withholding and Information Reporting for Registered Notes (including Registered Notes that Are Structured Notes)

Payments of principal and interest, and the accrual of original issue discount, if any, with respect to a Registered Note and proceeds from the sale of a Registered Note held by a United States Alien holder will not be subject to information reporting and backup withholding so long as the Certification Requirement is met and the Issuer does not have actual knowledge that the certification is false (or such holder otherwise establishes an exemption).

THE UNITED STATES FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY OR MAY NOT BE APPLICABLE DEPENDING UPON A NOTEHOLDER'S PARTICULAR SITUATION. NOTEHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISERS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN, AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS.

UNITED KINGDOM TAXATION

The following information is of a general nature and applies only to persons who are the absolute beneficial owners of Notes and is a summary of the Issuer's understanding of current law and practice in the United Kingdom as at the date of this Offering Circular relating only to United Kingdom withholding tax treatment of payments of interest in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. It does not necessarily apply where the income is deemed for tax purposes to be the income of any other person. Some aspects do not apply to certain classes of person (such as dealers and persons connected with the Issuer) to whom special rules may apply. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "Act") and carry the right to interest. The London Stock Exchange is a recognised stock exchange. Provided, therefore, that the Notes are and remain listed on the Official List and are admitted to trading on the Regulated Market of the London Stock Exchange, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

Subject to the following paragraphs, if the Notes are unlisted or cease to be listed on the Official List, United Kingdom income tax of 20.00 per cent. will generally need to be withheld if the interest has United Kingdom source (subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption). The question of whether interest is United Kingdom source is one of fact but simply listing the Notes in London should not, without more, make the interest "United Kingdom source". Even if the Notes are or become unlisted and the interest is United Kingdom source, an exemption may be available and interest on the Notes may be paid without withholding or deduction on account of United Kingdom tax where the Issuer reasonably believes that (and any person by or through whom interest on the Notes is paid is a company and reasonably believes that), at the time the payment is made, it is an excepted payment within section 930 of the Act, provided that HMRC has not given a direction that the interest should be paid under deduction of tax.

Noteholders may wish to note that HMRC has power to obtain information (including the name and address of the beneficial owner of the interest and the amount of interest paid or received) from any person in the United Kingdom who either pays interest to or receives interest for the benefit of another person, although HMRC published practice indicates that HMRC will not exercise its power to obtain information where such amounts are paid or received on or before April 5, 2010. HMRC also have power to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person, although HMRC published practice indicates that HMRC will not exercise its power to obtain information where such amounts are paid or received on or before April 5, 2010. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of other jurisdictions.

References to "interest" above mean interest as understood in United Kingdom tax law. In particular this may include any redemption premium (if any).

EUROPEAN UNION DIRECTIVE ON TAXATION OF SAVINGS INCOME

On July 1, 2005, a European Union (“EU”) directive regarding the taxation of savings income payments came into effect. The directive obliges a Member State to provide to the tax authorities of another Member State details of payments of interest or other similar income payments made by a person within its jurisdiction for the immediate benefit of an individual or to certain non-corporate entities resident in that other Member State (or for certain payments secured for their benefit). However, Austria, Belgium, and Luxembourg have opted out of the reporting requirements and are instead applying a special withholding tax for a transitional period in relation to such payments of interest, deducting tax at rates rising over time to 35.00 per cent. This transitional period commenced on July 1, 2005 and will terminate at the end of the first fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from July 1, 2005, a number of non-EU countries and certain dependent or associated territories of Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments of interest or other similar income payments made by a person in that jurisdiction for the immediate benefit of an individual or to certain non-corporate entities in any Member State. The Member States have entered into reciprocal provision of information or transitional special withholding tax arrangements with certain of those dependent or associated territories. These apply in the same way to payments by persons in any Member State to individuals or certain non-corporate residents of those territories.

SUBSCRIPTION AND SALE

The Program Agreement provides for Notes to be issued on a continuous basis to any of the Dealers. However, the Issuer has no obligation to issue any Notes and no Dealer has any obligation to subscribe for Notes. The price or prices at which a given Series will be issued will be agreed at the time of subscription and sale between the Issuer and the relevant Dealers. Notes of the same Series may be subscribed to at different times and at different prices. Notes may be resold at prices to be agreed with the relevant Dealers. There can be no assurance that the Notes will be resold or that there will be a secondary market for them.

MLI, an indirect wholly-owned subsidiary of the Issuer, will participate in the Program as the Arranger and a Dealer under the Program Agreement. MLI is regulated by the Financial Services Authority of the United Kingdom. Any obligations of MLI are the sole responsibility of MLI and do not create any obligation or guarantee on the part of the Issuer or any affiliate of the Issuer.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of Notes. The obligations of the Dealers under the Program Agreement will be subject to certain conditions set out in the Program Agreement.

General

Save for the approval of this Offering Circular as a Base Prospectus for the purposes of the Prospectus Directive by the UK Listing Authority and the notification of such approval to the competent authorities of France, Germany, Italy, Denmark, Portugal, Spain, Sweden, Greece, and The Netherlands, the Issuer has not taken and currently does not intend to take any action that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any other offering material in any jurisdiction where action for that purpose is required. Each Dealer has agreed, and each further dealer or distributor will be required to agree, that it will comply with all applicable laws and regulations known by it, or that reasonably should have been known by it, in each jurisdiction in which it purchases, offers, sells, or delivers Notes or possesses or distributes this Offering Circular or any other offering material and will obtain any consent, approval, or permission required by it for the purchase, offer, sale, or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales, or deliveries and none of the Issuer, the Principal Agent, or any other Dealer or purchaser shall have any responsibility therefor. In addition, each Dealer has agreed that, unless prohibited by applicable law, it will make available upon the request of each person to whom it offers or sells Notes a copy of this Offering Circular (as amended or supplemented).

None of the Issuer, the Principal Agent, or any of the Dealers has represented that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche of Notes, the relevant Dealers will be required to comply with the restrictions set forth in this Offering Circular, as it shall be amended from time to time, and with such other additional restrictions as the Issuer and the relevant Dealers shall agree to and as shall be set out in the applicable Final Terms.

Neither this Offering Circular nor any Final Terms constitute, nor may be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The distribution of this Offering Circular and the offering and sale of the Notes may be restricted by law in certain

jurisdictions. Persons into whose possession this Offering Circular comes are required by the Dealers and the Issuer to inform themselves about and to observe any such restrictions.

1. European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive was implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Nonexempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable;
- (b) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- (c) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstance falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression “**Prospectus Directive**” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

2. **United States**

- (a) The Notes have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered, directly or indirectly, within the United States of America (including the states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction (the “**United States**”) or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Each Dealer has represented and agreed, and each further dealer or distributor will be required to agree, that it has offered and sold any Notes, and will offer and sell any Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering of Notes of the same Tranche to persons other than distributors and the date of issue thereof (the “**Restricted Period**”), only in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has further represented and agreed, and each further dealer or distributor will be required to further agree, that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer who has purchased Notes of a Tranche (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify in writing to the Principal Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Principal Agent has agreed to notify such Dealer or Lead Manager in writing of the end of the Restricted Period with respect to such Tranche of Notes. Each Dealer has also agreed that, at or prior to confirmation of sale of Notes of any series, it will have sent to each distributor, dealer, person receiving a selling concession, fee, or other remuneration, or purchaser that purchases Notes from it during the Restricted Period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of Notes of the same Tranche to persons other than distributors and the date of issue thereof, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in the preceding paragraph 2(a) have the meanings given to them by Regulation S under the Securities Act.

- (b) In addition, with respect to Bearer Notes:
- (i) except to the extent permitted under Treasury Regulations Section 1.163-5(c)(2)(i)(D) (the “**D Rules**”), each Dealer has represented (a) that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Bearer Notes to a person who is within the United States or its possessions or to a United States person, and (b) that it has not delivered and has agreed that it will not deliver within the United States or its possessions Bearer Notes that are sold during the restricted period;
 - (ii) each Dealer has represented that it has, and has agreed that throughout the restricted period it will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Notes are aware that such Bearer Notes may not

be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

- (iii) if it is a United States person, each Dealer has represented that it is acquiring the Bearer Notes for purposes of resale in connection with their original issuance and if it retains Bearer Notes for its own account, it will only do so in accordance with the requirements of the D Rules;
- (iv) with respect to each affiliate that acquires Bearer Notes from a Dealer for the purpose of offering or selling such Bearer Notes during the restricted period, such Dealer has repeated and confirmed the representations and agreements contained in sub-paragraphs (i), (ii), and (iii) on such affiliate's behalf; and
- (v) each Dealer has represented that it will obtain for the benefit of the Issuer and the several Dealers the representations and agreements contained in sub-paragraphs (i), (ii), (iii), and (iv) from any other distributor.

Terms used in this paragraph 2(b) have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and the regulations thereunder, including the D Rules.

Each issue of Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s), or Physical Delivery Notes shall be subject to such additional United States selling restrictions as the Issuer and the relevant Dealer(s) may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms. Each Relevant Dealer agrees, and each further dealer or distributor will be required to agree, that it shall offer, sell, and deliver such Notes only in compliance with such additional United States selling restrictions.

3. United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing, or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

4. **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended, the “**FIEL**”). Each Dealer has agreed, and each further dealer or distributor will be required to agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan and that thereafter it will not offer or sell such Notes in Japan or to or for the benefit of a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations, and ministerial guidelines of Japan.

5. **The Netherlands**

The Issuer is not a bank licensed by or registered with the Dutch Central Bank (*De Nederlandsche Bank N.V.*) pursuant to the Dutch Financial Supervision Act (*Wetop het financieel toezicht*).

In respect of the Notes, each Dealer has represented and agreed that Zero Coupon Notes (as defined below) in definitive form of the Issuer may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act of 21 May 1985 (*Wet inzake spaarbewijzen*, as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands (if all Zero Coupon Notes) (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter. As used herein, “**Zero Coupon Notes**” are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

GENERAL INFORMATION

1. **Authorization**

The Program, including the maximum aggregate amount of U.S. \$65,000,000,000 was authorized by resolutions of the Board of Directors of the Issuer adopted June 25, 2008 and July 21, 2009, and by a written consent of a committee appointed by the Board of Directors dated July 21, 2009.

2. **Clearing Systems**

It is expected that the Notes will be accepted for clearance through Euroclear and Clearstream, Luxembourg. A Common Code and ISIN number will be contained in the applicable Final Terms. If the Notes are to be cleared through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

3. **Listing**

Application has been made to the UK Listing Authority for Notes issued under the Program to be admitted to the Official List and to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market.

4. **Documents Available**

For the period of 12 months following the date of this Offering Circular, copies of the following documents will, where published, be available from the specified office of the Principal Agent.

As long as any Notes remain outstanding, copies of the Amended and Restated Certificate of Incorporation of the Issuer, as amended, the Bylaws of the Issuer, as amended, and the Annual Report on Form 10-K of the Issuer for the year ended December 31, 2008, the Quarterly Report on Form 10-Q of the Issuer for the three months ended March 31, 2009 and March 31, 2008 (which include the consolidated unaudited financial statements of the Issuer) and any Current Report on Form 8-K or Form 8-K/A of the Issuer, the Agency Agreement, and the Program Agreement will be available without charge at the office of the Principal Agent. Copies of the Offering Circular, any supplements to the Offering Circular and the applicable Final Terms with respect to a Tranche of Notes also will be available without charge at the office of the Principal Agent. However, the applicable Final Terms relating to an unlisted Note only will be available for inspection by a Noteholder upon proof satisfactory to the Principal Agent as to ownership of the Note.

5. **Significant Change and Material Adverse Change**

There has been no significant change in the financial or trading position of the Issuer on a consolidated basis since March 31, 2009, which is the date of the most recently published interim unaudited financial statements of the Issuer.

There has been no material adverse change in the prospects of the Issuer on a consolidated basis since December 31, 2008.

6. **Litigation and Regulatory Matters**

In the ordinary course of business, the Issuer and its subsidiaries are routinely defendants in or parties to many pending and threatened legal actions and proceedings, including actions brought on behalf of various classes of claimants. Certain of these actions and proceedings are based on alleged violations of

consumer protection, securities, environmental, banking, employment, and other laws. In certain of these actions and proceedings, claims for substantial monetary damages are asserted against the Issuer and its subsidiaries.

In the ordinary course of business, the Issuer and its subsidiaries are also subject to regulatory examinations, information gathering requests, inquiries, and investigations. Certain subsidiaries of the Issuer are registered broker/dealers or investment advisors and are subject to regulation by the SEC, the FINRA, the NYSE, the Financial Services Authority, and other U.S., international, and state securities regulators. In connection with formal and informal inquiries by those agencies, such subsidiaries receive numerous requests, subpoenas, and orders for documents, testimony, and information in connection with various aspects of their regulated activities.

In view of the inherent difficulty of predicting the outcome of such litigation and regulatory matters (including the matters set out in this section 6), particularly where the claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties, the Issuer cannot state with confidence what the eventual outcome of the pending matters will be, what the timing of the ultimate resolution of these matters will be, or what the eventual loss, fines, or penalties related to each pending matter may be.

In accordance with the Financial Accounting Standards Board's Statement of Financial Accounting Standards ("SFAS") No. 5, "Accounting for Contingencies", the Issuer establishes reserves for litigation and regulatory matters when those matters present loss contingencies that are both probable and estimable. When loss contingencies are not both probable and estimable, the Issuer does not establish reserves. In some of the matters described below, including but not limited to the Lehman Brothers Holdings, Inc. matters, loss contingencies are not both probable and estimable in the view of management, and, accordingly, reserves have not been established for those matters. Based on current knowledge, management does not believe that loss contingencies, if any, arising from pending litigation and regulatory matters, including the litigation and regulatory matters described below, will have a material adverse effect on the consolidated financial position or liquidity of the Issuer, but may be material to the Issuer's operating results for any particular reporting period.

Adelphia Communications Corporation ("ACC")

Adelphia Recovery Trust is the plaintiff in a lawsuit pending in the U.S. District Court for the Southern District of New York. The lawsuit originally named over 700 defendants, including BANA, Banc of America Securities LLC ("BAS"), Merrill Lynch & Co., Inc., and Merrill Lynch Capital Corp. (collectively for this proceeding, "**Merrill Lynch**"), Fleet National Bank and Fleet Securities, Inc. (collectively "**Fleet**") and other affiliated entities, and asserted over 50 claims under federal statutes and state common law relating to loans and other services provided to various affiliates of ACC and entities owned by members of the founding family of ACC. The plaintiffs seek unspecified damages in an amount not less than U.S. \$5 billion. The District Court granted in part defendants' motions to dismiss, which resulted in the dismissal of approximately 650 defendants from the lawsuit. The plaintiffs have appealed the dismissal decision. The primary claims remaining against BANA, BAS, Merrill Lynch, and Fleet include fraud, aiding and abetting fraud, and aiding and abetting breach of fiduciary duty. Trial is scheduled for February 2010.

Auction Rate Securities ("ARS") Claims

On May 22, 2008, a putative class action, *Bondar v. Bank of America Corporation*, was filed in the U.S. District Court for the Northern District of California against the Issuer, Banc of America Investment Services, Inc. ("**BAI**"), and BAS (collectively "**Bank of America**") on behalf of persons who purchased ARS from the defendants. The amended complaint, which was filed on January 22, 2009, alleges, among

other things, that Bank of America manipulated the market for, and failed to disclose material facts about, ARS and seeks to recover unspecified damages for losses in the market value of ARS allegedly caused by the decision of the Issuer and other broker-dealers to discontinue supporting auctions for the securities. On February 12, 2009, the Judicial Panel on Multidistrict Litigation consolidated Bondar and two related, individual federal actions into one proceeding in the U.S. District Court for the Northern District of California.

On March 25, 2008, a putative class action, *Burton v. Merrill Lynch & Co., Inc., et al.*, was filed in the U.S. District Court for the Southern District of New York against Merrill Lynch Co., Inc. and certain affiliates on behalf of persons who purchased and continue to hold ARS offered for sale by Merrill Lynch between March 25, 2003 and February 13, 2008. The complaint alleges, among other things, that Merrill Lynch failed to disclose material facts about ARS. A similar action, captioned *Stanton v. Merrill Lynch & Co., Inc., et al.*, was filed the next day in the same court. On October 31, 2008, the two cases were consolidated, and on December 10, 2008, a consolidated class action amended complaint was filed. Plaintiffs seek to recover alleged losses in the market value of ARS allegedly caused by the decision of Merrill Lynch to discontinue supporting auctions for the securities. On February 27, 2009, defendants filed a motion to dismiss the consolidated amended complaint.

On September 4, 2008, two civil antitrust putative class actions, *City of Baltimore v. Citigroup et al.*, and *Mayfield v. Citigroup et al.*, were filed in the U.S. District Court for the Southern District of New York against the Issuer, Merrill Lynch, and other financial institutions, alleging that the defendants conspired to restrain trade in ARS by artificially supporting auctions and later withdrawing that support. *City of Baltimore* is filed on behalf of a class of issuers of ARS underwritten by the defendants between May 12, 2003 and February 13, 2008 who seek to recover the alleged above-market interest payments they claim they were forced to make when the Issuer, Merrill Lynch and others allegedly discontinued supporting ARS. The plaintiffs who also purchased ARS also seek to recover claimed losses in the market value of those securities allegedly caused by the decision of the financial institutions to discontinue supporting auctions for the securities. Plaintiffs seek treble damages and to rescind at par their purchases of ARS. *Mayfield* is filed on behalf of a class of persons who acquired ARS directly from defendants and who held those securities as of February 13, 2008. Plaintiffs seek to recover alleged losses in the market value of ARS allegedly caused by the decision of the Issuer and Merrill Lynch and others to discontinue supporting auctions for the securities. Plaintiffs seek treble damages and to rescind at par their purchases of ARS. On January 15, 2009, defendants, including the Issuer and Merrill Lynch, filed a motion to dismiss the complaints.

On September 10, 2008, Bank of America announced an agreement in principle with the Massachusetts Securities Division, without admitting or denying allegations of wrongdoing, under which it will offer to purchase at par ARS held by certain customers. On October 8, 2008, Bank of America announced agreements in principle with the SEC, the Office of the New York State Attorney General (“NYAG”), and the North American Securities Administrators Association. The agreements are substantially similar except that the agreement with the NYAG requires the payment of a penalty to be allocated among and at the discretion of the settling states. In addition, the agreement with the SEC provides that the SEC reserves the right to seek an additional penalty in the event it concludes Bank of America has not satisfied its obligations under the agreement.

Merrill Lynch has entered into agreements in principle to settle regulatory actions related to its sale of ARS. As part of these settlements, Merrill Lynch agreed to offer to purchase ARS held by certain individuals, charities, and non-profit corporations and to pay a fine.

Countrywide Equity and Debt Securities Matters

Countrywide Financial Corporation (“CFC”), certain other Countrywide entities, and certain former officers and directors of CFC, among others, have been named as defendants in two putative class actions filed in the U.S. District Court for the Central District of California relating to certain CFC equity and debt securities. One case, entitled *In re Countrywide Financial Corp. Securities Litigation*, was filed by certain New York state and municipal pension funds on behalf of purchasers of CFC’s common stock and certain other equity and debt securities. The complaint alleges, among other things, that CFC made misstatements (including in certain SEC filings) concerning the nature and quality of its loan underwriting practices and its financial results, in violation of the antifraud provisions of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and Sections 11 and 12 of the Securities Act. Plaintiffs also assert claims against BAS, Merrill Lynch, Pierce, Fenner & Smith Incorporated (“**MLPFS**”) and other underwriter defendants under Sections 11 and 12 of the Securities Act. Plaintiffs seek unspecified compensatory damages, among other remedies. On December 1, 2008, the Court granted in part and denied in part the defendants’ motions to dismiss the First Consolidated Amended Complaint, with leave to amend certain claims. Plaintiffs have filed a Second Consolidated Amended Complaint. On April 6, 2009, the U.S. District Court for the Central District of California denied the motions to dismiss the amended complaint in the New York Funds matter made by CFC and the underwriters.

The other case, entitled *Argent Classic Convertible Arbitrage Fund L.P. v. Countrywide Financial Corp. et al.*, was filed in the U.S. District Court for the Central District of California in October 2007 against CFC on behalf of purchasers of certain Series A and B debentures issued in various private placements pursuant to a May 16, 2007 CFC offering memorandum. This matter involves allegations similar to those in the *In re Countrywide Financial Corporation Securities Litigation* case, asserts claims under the antifraud provisions of the Exchange Act and California state law, and seeks unspecified damages. Plaintiffs have filed an amended complaint that added the Issuer as a defendant. On March 9, 2009, the U.S. District Court for the Central District of California in the Argent action dismissed the Issuer from the case; CFC remains as a named defendant.

CFC has also responded to subpoenas from the SEC and the U.S. Department of Justice.

Countrywide Mortgage-Backed Securities Litigation

CFC, certain other Countrywide entities, certain former CFC officers and directors, as well as BAS and MLPFS, are named as defendants in a consolidated putative class action, entitled *Luther v. Countrywide Home Loans Servicing LP, et al.*, filed in the Superior Court of the State of California, County of Los Angeles, that relates to the public offering of various mortgage-backed securities. The consolidated complaint alleges, among other things, that the mortgage loans underlying these securities were improperly underwritten and failed to comply with the guidelines and processes described in the applicable registration statements and prospectus supplements, in violation of Sections 11 and 12 of the Securities Act and seeks unspecified compensatory damages, among other relief. In addition, in August 2008 a complaint was filed in the First Judicial Court for the County of Santa Fe against CFC, certain other CFC entities and certain former officers and directors of CFC by three New Mexico governmental entities that allegedly acquired certain of these mortgage-backed securities. The complaint asserts claims under the Securities Act and New Mexico state law. On March 25, 2009, the First Judicial District Court for the County of Santa Fe in the New Mexico matter denied the motion to dismiss the complaint.

Countrywide State and Local Enforcement Actions

Certain state and local government officials filed proceedings against CFC and/or various of CFC’s wholly-owned subsidiaries, including lawsuits brought by the state attorneys general of California, Florida, Illinois, Connecticut, Indiana, and West Virginia in their respective state courts. These lawsuits alleged,

among other things, that CFC and/or its subsidiaries violated state consumer protection laws by engaging in deceptive marketing practices designed to increase the volume of loans it originated and then sold into the secondary market. These lawsuits sought, among other remedies, restitution, other monetary relief, penalties and, in the Illinois action, rescission or repurchase of mortgage loans made to Illinois consumers. CFC and its affiliates removed each of the lawsuits to federal court, and they have been transferred, finally or provisionally, to the U.S. District Court for the Southern District of California by the Judicial Panel on Multidistrict Litigation. In addition, the Director of the Washington State Department of Financial Institutions commenced an administrative proceeding against a wholly-owned subsidiary of CFC alleging, among other things, that such subsidiary did not provide borrowers with certain required disclosures and that the loan products made available to Washington borrowers of protected races or ethnicities were less favorable than those made available to other, similarly situated borrowers. That proceeding seeks, among other things, a monetary fine and an order barring the CFC subsidiary from making consumer loans in the state of Washington for five years. The state lawsuits have been settled finally or in principle, except for the lawsuit brought by Indiana. The settlement provides for a loan modification program, principally for subprime and pay option adjustable rate mortgage (“ARM”) borrowers, and a nationwide fund of up to U.S. \$150 million for foreclosure relief programs designated by certain settling states and for payments to individuals whose property was foreclosed and, prior to foreclosure, had made few mortgage payments. The settlements with all of the states except Connecticut have been documented and filed in state court, leading to the dismissal of the federal court cases as to CFC and/or its affiliates, and the remaining settlements are subject to the negotiation and execution of agreements and the Court’s approval of such agreements.

Countrywide Bond Insurance Litigation

In September 2008, CFC and other Countrywide entities were named as defendants in an action filed by MBIA Insurance Corporation (“**MBIA**”) in New York Supreme Court. The action relates to bond insurance policies provided by MBIA with regard to certain securitized pools of home equity lines of credit and fixed-rate second lien mortgage loans. MBIA allegedly has paid claims as a result of defaults in the underlying loans, and claims that these defaults are the result of improper underwriting. The complaint alleges misrepresentation and breach of contract, among other claims, and seeks unspecified actual and punitive damages, and attorneys’ fees. The Countrywide defendants have filed a motion to dismiss the primary claims in the action.

Data Treasury Litigation

The Issuer and BANA have been named as defendants in two cases filed by Data Treasury Corporation (“**Data Treasury**”) in the U.S. District Court for the Eastern District of Texas. In one case, Data Treasury alleges that defendants “provided, sold, installed, utilized, and assisted others to use and utilize image-based banking and archival solutions” in a manner that infringes United States Patent Nos. 5,910,988 and 6,032,137. In the other case, Data Treasury alleges that the Issuer and BANA, among other defendants, are “making, using, selling, offering for sale, and/or importing into the United States, directly, contributory, and/or by inducement, without authority, products and services that fall within the scope of the claims of” United States Patent Nos. 5,265,007; 5,583,759; 5,717,868; and 5,930,778. Data Treasury seeks unspecified damages and injunctive relief in both cases. This matter has been scheduled for trial in the fall of 2009.

Enron Litigation

On April 8, 2002, Merrill Lynch & Co., Inc. and MLPFS (collectively for this proceeding, “**Merrill Lynch**”) were added as defendants in a consolidated class action, entitled *Newby v. Enron Corp. et al.*, filed in the U.S. District Court for the Southern District of Texas on behalf of certain purchasers of

Enron's publicly traded equity and debt securities. The complaint alleges, among other things, that Merrill Lynch engaged in improper transactions that helped Enron misrepresent its earnings and revenues. The District Court denied Merrill Lynch's motion to dismiss and certified a class action by Enron shareholders and bondholders against Merrill Lynch and other defendants. On March 19, 2007, the U.S. Court of Appeals for the Fifth Circuit reversed the District Court's decision certifying the case as a class action. On January 22, 2008, the Supreme Court denied plaintiffs' petition to review the Fifth Circuit's decision. On March 5, 2009, the U.S. District Court for the Southern District of Texas granted Merrill Lynch's motion for summary judgment and dismissed the claims against Merrill Lynch with prejudice. Over a dozen other actions have been brought against Merrill Lynch and other investment firms in connection with their Enron-related activities. There has been no adjudication of the merits of these claims.

Heilig-Meyers Litigation

In *AIG Global Securities Lending Corp., et al. v. Banc of America Securities LLC*, pending in the U.S. District Court for the Southern District of New York, the plaintiffs purchased asset-backed securities issued by a trust formed by Heilig-Meyers Co., and allege that BAS, as underwriter, made misrepresentations in connection with the sale of those securities in violation of the federal securities laws and New York common law. The case was tried and a jury rendered a verdict against BAS in favor of the plaintiffs for violations of Section 10(b) of the Exchange Act and Rule 10b-5 and for common law fraud. The jury awarded aggregate compensatory damages of U.S. \$84.9 million plus prejudgment interest totaling approximately U.S. \$59 million. BAS filed motions to set aside the verdict in January 2009.

IndyMac

On January 20, 2009, BAS and MLPFS, in their capacity as underwriters, along with IndyMac MBS, IndyMac ABS, and other underwriters and individuals, were named as defendants in a putative class action complaint, entitled *IBEW Local 103 v. Indymac MBS et al.*, filed in the Superior Court of the State of California, County of Los Angeles, by purchasers of IndyMac mortgage pass-through certificates. The complaint alleges, among other things, that the mortgage loans underlying these securities were improperly underwritten and failed to comply with the guidelines and processes described in the applicable registration statements and prospectus supplements, in violation of Sections 11 and 12 of the Securities Act, and seeks unspecified compensatory damages and rescission, among other relief.

In re Initial Public Offering Securities Litigation

Beginning in 2001, Robertson Stephens, Inc. (an investment banking subsidiary of FleetBoston Financial Corporation that ceased operations during 2002), BAS, Merrill Lynch & Co., Inc., MLPFS, other underwriters, and various issuers and others, were named as defendants in certain of the 309 putative class action lawsuits that have been consolidated in the U.S. District Court for the Southern District of New York as *In re Initial Public Offering Securities Litigation*. Plaintiffs contend that the defendants failed to make certain required disclosures and manipulated prices of securities sold in initial public offerings through, among other things, alleged agreements with institutional investors receiving allocations to purchase additional shares in the aftermarket and seek unspecified damages. On December 5, 2006, the U.S. Court of Appeals for the Second Circuit reversed the District Court's order certifying the proposed classes. On September 27, 2007, plaintiffs filed a motion to certify modified classes, which defendants opposed. On October 10, 2008, the District Court granted plaintiffs' request to withdraw without prejudice their class certification motion. On April 2, 2009, the parties executed a settlement agreement, which has been submitted to the U.S. District Court for the Southern District of New York for approval. If the District Court grants final approval to the settlement and the decision survives any appeals that may be brought, the settlement will resolve the claims of all settlement class members (as defined in the settlement agreement) who do not opt out.

Interchange and Related Cases

The Issuer and certain of its subsidiaries are defendants in putative class actions filed on behalf of retail merchants that accept Visa and MasterCard payment cards. Additional defendants include Visa, MasterCard, and other financial institutions. Plaintiffs seek unspecified treble damages and injunctive relief and allege that the defendants conspired to fix the level of interchange and merchant discount fees and that certain other practices, including various Visa and MasterCard rules, violate federal and California antitrust laws. The class actions are coordinated for pre-trial proceedings in the U.S. District Court for the Eastern District of New York, together with individual actions brought only against Visa and MasterCard, under the caption *In Re Payment Card Interchange Fee and Merchant Discount Anti-Trust Litigation* (“**Interchange**”). On January 8, 2008, the District Court dismissed all claims for pre-2004 damages. Plaintiffs filed a motion for class certification on May 8, 2008, and the defendants have opposed that motion. On January 29, 2009, the class plaintiffs filed an amended consolidated complaint.

The class plaintiffs have also filed two supplemental complaints against certain defendants, including the Issuer and certain of its subsidiaries, relating to, respectively, MasterCard’s 2006 initial public offering (“**MasterCard IPO**”) and Visa’s 2008 initial public offering (“**Visa IPO**”). The supplemental complaints, which seek unspecified treble damages and injunctive relief, assert, among other things, claims under federal antitrust laws. On November 25, 2008, the District Court granted defendants’ motion to dismiss the supplemental complaint relating to the MasterCard IPO, with leave to amend. On January 29, 2009, plaintiffs amended this supplemental complaint and also filed the supplemental complaint relating to the Visa IPO.

The Issuer and certain of its subsidiaries have entered into agreements that provide for sharing liabilities in connection with certain antitrust litigation against Visa (the “**Visa-Related Litigation**”), including Interchange. Under these agreements, the Issuer’s obligations to Visa in the Visa-Related Litigation are capped at the Issuer’s membership interest in Visa USA (approximately 12.1 percent as of December 31, 2008, which increased to approximately 12.6 percent after giving effect to the transaction with Merrill Lynch & Co., Inc.). Also under these agreements, Visa Inc. has used a portion of the proceeds from the Visa IPO to fund liabilities arising from the Visa-Related Litigation, including the settlement during 2008 of *Discover Financial Services v. Visa USA, et al.* and the 2007 settlement of *American Express Travel Related Services Company v. Visa USA, et al.*, and has stated that it will use such proceeds to fund other liabilities in the future, if any, arising from the Visa-Related Litigation.

Lehman Brothers Holdings, Inc.

Beginning in September 2008, BAS, MLPFS, Countrywide Securities Corporation and LaSalle Financial Services Inc., along with other underwriters and individuals, were named as defendants in several putative class action complaints filed in the U.S. District Court for the Southern District of New York and state courts in Arkansas, California, New York, and Texas. Plaintiffs allege that the underwriter defendants violated Sections 11 and 12 of the Securities Act of 1933 by making false or misleading disclosures in connection with various debt and convertible stock offerings of Lehman Brothers Holdings, Inc. and seek unspecified damages. On January 9, 2009, the U.S. District Court for the Southern District of New York issued an order consolidating most of these cases under the caption *In re Lehman Brothers Securities and ERISA Litigation*.

Lehman Set-off Litigation

On November 26, 2008, BANA commenced an adversary proceeding against Lehman Brothers Holdings, Inc. (“**LBHI**”) and Lehman Brothers Special Financing, Inc. (“**LBSF**”) in LBHI’s and LBSF’s chapter 11 cases pending in the U.S. Bankruptcy Court for the Southern District of New York. In the adversary proceeding, BANA is seeking a declaration that it properly set off funds held in Lehman deposit

accounts against monies owed to BANA by LBSF and LBHI under various derivatives and guarantee agreements. LBSF and LBHI answered the complaint and LBHI filed counterclaims against BANA and Bank of America Trust and Banking Corporation (Cayman) Limited (“**BofA Cayman**”) on January 2, 2009, alleging that BANA’s set-off was improper and violated the automatic stay in bankruptcy. LBHI seeks, inter alia, return of the off-set funds. BANA and BofA Cayman filed their answer, denying the material allegations of the counterclaims.

MBIA Insurance Corporation CDO Litigation

On April 30, 2009, MBIA Insurance Corporation and LaCrosse Financial Products, LLC filed a complaint in New York State Supreme Court, New York County, against MLPFS and MLI. The complaint relates to certain credit default swap (“**CDS**”) agreements and insurance agreements by which plaintiffs provided credit protection to the Merrill Lynch entities and other parties on certain CDO securities held by them. Plaintiffs claim that the Merrill Lynch entities did not adequately disclose the credit quality and other risks of the CDO securities and underlying collateral. The complaint alleges claims for fraud, negligent misrepresentation, and breach of contract, among other claims, and seeks rescission and unspecified compensatory and, punitive damages, among other relief.

Mediafiction Litigation

Approximately a decade ago, Merrill Lynch International Bank Limited (“**MLIB**”) (formerly Merrill Lynch Capital Markets Bank Limited) acted as manager for a U.S. \$284 million issuance of notes for an Italian library of movies, backed by the future flow of receivables to such movie rights. Mediafiction S.p.A (“**Mediafiction**”) was responsible for collecting payments in connection with the rights to the movies and forwarding the payments to MLIB for distribution to note holders. Mediafiction failed to make the required payments to MLIB and subsequently filed for protection under the bankruptcy laws of Italy. MLIB has filed claims in the Mediafiction bankruptcy proceeding for amounts that Mediafiction failed to pay on the notes and Mediafiction has filed a counterclaim alleging that the agreement between MLIB and Mediafiction is null and void and seeking return of the payments previously made by Mediafiction to MLIB. In October 2008, the Court of Rome granted Mediafiction S.p.A.’s counter-claim against MLIB in the amount of U.S. \$137 million. MLIB has appealed the ruling to the Court of Appeals of the Court of Rome.

Merrill Lynch Merger-Related Matters

Beginning in January 2009, the Issuer and certain of its officers and directors have been named as defendants in putative class actions brought by shareholders alleging violations of Sections 10(b), 14(a) and 20(a) of the Exchange Act, and SEC rules promulgated thereunder, based on, among other things, the alleged failure to disclose information concerning the financial performance of Merrill Lynch during the fourth quarter of 2008 in connection with the proxy statement pursuant to which the Issuer’s shareholders approved the merger between the Issuer and Merrill Lynch & Co., Inc. (the “**Merger**”) and certain other public statements. These actions, which seek unspecified damages and other relief, include *Sklar v. Bank of America Corp., et al.*, *Finger Interests No. One Ltd. v. Bank of America Corp., et al.*, *Fort Worth Employees’ Ret. Fund v. Bank of America Corp., et al.*, *Palumbo v. Bank of America Corp., et al.*, *Zitner v. Bank of America Corp., et al.*, and *Stabbert v. Bank of America Corp., et al.* in the U.S. District Court for the Southern District of New York, *Boorn v. Bank of America Corp., et al.* in the U.S. District Court for the Northern District of Georgia, and *Cromier v. Bank of America Corp., et al.* in the U.S. District Court for the Northern District of California.

The Issuer and certain of its officers and directors have also been named as defendants in a putative class action, *Stern v. Bank of America Corp., et al.*, brought in the Delaware Court of Chancery by shareholders alleging breaches of fiduciary duties in connection with the Merger.

Other putative class actions, including *Dailey v. Bank of America Corp., et al.*, *Wilson v. Bank of America Corp., et al.*, *Adams v. Bank of America Corp., et al.*, *Wright v. Bank of America Corp., et al.*, and *Stricker v. Bank of America Corp. Corporate Benefits Comm., et al.*, have been filed in the U.S. District Court for the Southern District of New York against the Issuer and certain of its officers and directors seeking recovery for losses from the Bank of America 401(k) Plan pursuant to the Employee Retirement Income Security Act (“ERISA”). The complaints allege, among other things, that defendants made false and misleading statements in connection with the Merger and failed to inform participants in the plan of risks associated with investment in the Issuer’s stock.

In addition, several derivative actions have been filed against directors of the Issuer, and the Issuer as nominal defendant, in the U.S. District Court for the Southern District of New York, including *Louisiana Municipal Police Employees Ret. System v. Lewis et al.*, *Waldman v. Lewis, et al.*, *Hollywood Police Officers’ Ret. System v. Lewis, et al.*, *Siegel v. Lewis, et al.*, *Lehmann v. Lewis, et al.*, and *Smith v. Lewis, et al.* Other derivative actions have been filed in the Delaware Court of Chancery, consolidated as *In re Bank of America Corp. Stockholder Derivative Litigation*, and in North Carolina Superior Court, *Cunniff v. Lewis, et al.* The derivative actions assert common law claims for breach of fiduciary duty and waste of corporate assets in connection with the Merger. Certain derivative actions filed in the U.S. District Court for the Southern District of New York also allege violations of Section 14(a) of the Exchange Act and Rule 14a-9 promulgated thereunder based on, among other things, the alleged failure to disclose information concerning the financial performance of Merrill Lynch during the fourth quarter of 2008 in connection with the proxy statement pursuant to which the Issuer’s shareholders approved the Merger.

The Issuer and Merrill Lynch have also received and are responding to inquiries from governmental authorities relating to (1) the Merger and (2) incentive compensation paid to employees for 2008.

Merrill Lynch Subprime-Related Matters

In re Merrill Lynch & Co., Inc. Securities, Derivative, and ERISA Litigation

Beginning in October 2007, Merrill Lynch & Co., Inc. and MLPFS (collectively for this proceeding “**Merrill Lynch**”) and certain present and former Merrill Lynch officers and directors were named in both putative class actions filed on behalf of certain persons who acquired Merrill Lynch securities (the “**Securities Action**”) or participated in Merrill Lynch retirement plans (the “**ERISA Action**”) and purported shareholder derivative actions (the “**Derivative Actions**”) that have largely been consolidated under the caption, *In re Merrill Lynch & Co., Inc. Securities, Derivative, and ERISA Litigation*, filed in the U.S. District Court for the Southern District of New York. The complaints allege, among other things, that the defendants misrepresented and omitted facts related to Merrill Lynch’s exposure to subprime collateralized debt obligations and subprime lending markets in violation of the federal securities laws, and seek damages in unspecified amounts. The Securities Action plaintiffs allege harm to investors who purchased Merrill Lynch securities during the class period; the ERISA Action plaintiffs allege harm to employees who invested retirement assets in Merrill Lynch securities, in violation of ERISA; and the plaintiffs in the derivative suits allege harm to Merrill Lynch itself from alleged breaches of fiduciary duty. In January 2009, Merrill Lynch agreed in principle to settle the Securities Action for U.S. \$475 million and the ERISA Action for U.S. \$75 million. On March 3, 2009, the U.S. District Court for the Southern District of New York preliminarily approved the Securities Action settlement and scheduled a fairness hearing on July 27, 2009 to determine whether it will grant final approval to the settlement. On March 17, 2009, the District Court preliminarily approved the ERISA Action settlement and scheduled a fairness hearing on July 27, 2009 to determine whether it will grant final approval to the settlement.

Louisiana Sheriffs' Pension & Relief Fund v. Conway, et al.

On October 3, 2008, a putative class action was filed against Merrill Lynch & Co., Inc., Merrill Lynch Capital Trust I, Merrill Lynch Capital Trust II, Merrill Lynch Capital Trust III, MLPFS (collectively for this proceeding, "**Merrill Lynch**"), and certain present and former Merrill Lynch officers and directors, and underwriters, including BAS, in New York Supreme Court. The complaint seeks relief on behalf of all persons who purchased or otherwise acquired Merrill Lynch debt securities issued pursuant to a shelf registration statement dated March 31, 2006. The complaint alleges that Merrill Lynch's prospectuses misstated Merrill Lynch's financial condition and failed to disclose its exposure to losses from investments tied to subprime and other mortgages, as well as its liability arising from its participation in the auction rate securities market. On October 22, 2008, the action was removed to federal court and on November 5, 2008 it was accepted as a related case to *In re Merrill Lynch & Co., Inc. Securities, Derivative, and ERISA Litigation*. On April 21, 2009, the parties reached an agreement in principle to settle the case and dismiss all claims with prejudice. The settlement is subject to court approval.

Connecticut Carpenters Pension Fund, et al. v. Merrill Lynch & Co., Inc., et al.

On December 5, 2008, a class action complaint was filed against Merrill Lynch & Co., Inc., MLPFS, Merrill Lynch Mortgage Investors, Inc., Merrill Lynch Mortgage Lending, Inc., and Merrill Lynch Credit Corporation, Inc. (collectively for this proceeding, "**Merrill Lynch**") and certain present and former Merrill Lynch officers and directors in the Superior Court of the State of California, County of Los Angeles on behalf of persons who purchased Merrill Lynch Mortgage Trust Certificates ("**Mortgage Trust Certificates**") pursuant or traceable to registration statements that Merrill Lynch Mortgage Investors, Inc. filed with the SEC on August 5, 2005, December 21, 2005, and February 2, 2007. The complaint alleges that the registration statements misrepresented or omitted material facts regarding the quality of the mortgage pools underlying the Trusts, the mortgages' loan-to-value ratios, and other criteria that were used to qualify borrowers for mortgages. Plaintiffs seek to recover alleged losses in the market value of the Certificates allegedly caused by the performance of the underlying mortgages.

Public Employees' Ret. System of Mississippi v. Merrill Lynch & Co. Inc.

On February 17, 2009, a putative class action was filed against Merrill Lynch & Co., Inc. and others in the U.S. District Court for the Southern District of New York on behalf of persons who purchased Mortgage Trust Certificates pursuant or traceable to registration statements that Merrill Lynch Mortgage Investors, Inc. filed with the SEC on December 21, 2005 and February 2, 2007. The complaint alleges, among other things, that the registration statements and related documents misrepresented or omitted material facts regarding the underwriting standards used to originate the mortgages in the mortgage pools underlying the Trusts. Plaintiffs seek to recover alleged losses in the market value of the Certificates allegedly caused by the performance of the underlying mortgages or to rescind their purchases of the Certificates.

In addition to the above class actions, Merrill Lynch is a respondent or defendant in arbitrations and lawsuits brought by customers relating to the purchase of subprime-related securities. Plaintiffs generally allege causes of action for negligence, breach of duty, and fraud.

Merrill Lynch & Co., Inc. is cooperating with the SEC and other governmental authorities investigating sub-prime mortgage-related activities.

Wyoming State Treasurer v. Merrill Lynch, et al.

On April 3, 2009, a putative class action complaint was filed against Merrill Lynch & Co., Inc. and certain affiliated entities in the U.S. District Court for the Southern District of New York on behalf of

persons who purchased Mortgage Trust Certificates pursuant or traceable to registration statements filed by Merrill Lynch Mortgage Investors dated August 5, 2005, December 21, 2005, and February 2, 2007. The complaint alleges that the registration statements misrepresented or omitted material facts regarding the quality of the mortgage loans underlying the Mortgage Trust Certificates, the appraisals of the properties secured by the mortgages, and the credit ratings assigned to the Mortgage Trust Certificates in violation of Sections 11 and 12 of the Securities Act. Plaintiffs seek unspecified compensatory damages, among other relief.

Miller

On August 13, 1998, a predecessor of BANA was named as a defendant in a class action filed in Superior Court of California, County of San Francisco, entitled *Paul J. Miller v. Bank of America, N.A.*, challenging its practice of debiting accounts that received, by direct deposit, governmental benefits to repay fees incurred in those accounts. The action alleges, among other claims, fraud, negligent misrepresentation and other violations of California law. On October 16, 2001, a class was certified consisting of more than one million California residents who have, had or will have, at any time after August 13, 1994, a deposit account with BANA into which payments of public benefits are or have been directly deposited by the government.

On March 4, 2005, the trial court entered a judgment that purported to award the class restitution in the amount of \$284 million, plus attorneys' fees, and provided that class members whose accounts were assessed an insufficient funds fee in violation of law suffered substantial emotional or economic harm and, therefore, are entitled to an additional \$1,000 statutory penalty. The judgment also purported to enjoin BANA, among other things, from engaging in the account balancing practices at issue. On November 22, 2005, the California Court of Appeal stayed the judgment, including the injunction, pending appeal.

On November 20, 2006, the California Court of Appeal reversed the judgment in its entirety, holding that BANA's practice did not constitute a violation of California law. On March 21, 2007, the California Supreme Court granted plaintiff's petition to review the Court of Appeal's decision.

Municipal Derivatives Matters

The Antitrust Division of the U.S. Department of Justice ("**DOJ**"), the SEC, and the IRS are investigating possible anticompetitive bidding practices in the municipal derivatives industry involving various parties, including BANA, from the early 1990s to date. The activities at issue in these industry-wide government investigations concern the bidding process for municipal derivatives that are offered to states, municipalities and other issuers of tax-exempt bonds. The Issuer has cooperated, and continues to cooperate, with the DOJ, the SEC and the IRS. On February 4, 2008, BANA received a Wells notice advising that the SEC staff is considering recommending that the SEC bring a civil injunctive action and/or an administrative proceeding "in connection with the bidding of various financial instruments associated with municipal securities." An SEC action or proceeding could seek a permanent injunction, disgorgement plus prejudgment interest, civil penalties, and other remedial relief. Merrill Lynch & Co., Inc. is also being investigated by the SEC and the DOJ.

On January 11, 2007, the Issuer entered into a Corporate Conditional Leniency Letter (the "**Letter**") with DOJ. Under the Letter and subject to the Issuer's continuing cooperation, DOJ will not bring any criminal antitrust prosecution against the Issuer in connection with the matters that the Issuer reported to DOJ. Subject to satisfying DOJ and the court presiding over any civil litigation of the Issuer's cooperation, the Issuer is eligible for (i) a limit on liability to single, rather than treble, damages in certain types of related civil antitrust actions, and (ii) relief from joint and several antitrust liability with other civil defendants.

Beginning in March 2008, the Issuer, BANA and other financial institutions, including Merrill Lynch & Co., Inc., have been named as defendants in complaints filed in federal courts in the District of Columbia, New York, and elsewhere. Plaintiffs purport to represent classes of government and private entities that purchased municipal derivatives from defendants. The complaints allege that defendants conspired to allocate customers and fix or stabilize the prices of certain municipal derivatives from 1992 through the present. The plaintiffs' complaints seek unspecified damages, including treble damages. These lawsuits were consolidated for pre-trial proceedings in the *In re Municipal Derivatives Antitrust Litigation*, MDL No. 1950 (Master Docket No. 08-2516), pending in the U.S. District Court for the Southern District of New York, and plaintiffs have filed a Consolidated Class Action complaint in this matter. BANA, BAS, Merrill Lynch & Co., Inc. and other financial institutions were also named in several related individual suits filed in California state courts on behalf of a number of cities and counties in California. These complaints allege a substantially similar conspiracy and assert violations of California's Cartwright Act, as well as fraud and deceit claims. All of these state complaints have been removed to federal court and are now part of *In re Municipal Derivatives Antitrust Litigation*, MDL No. 1950 (Master Docket No. 08-2516). Motions to remand these cases to state court were denied.

Beginning in April 2008, the Issuer and BANA received subpoenas, interrogatories, and/or civil investigative demands from a number of state attorneys general requesting documents and information regarding municipal derivatives transactions from 1992 through the present. The Issuer and BANA are cooperating with the state attorneys general.

Parmalat Finanziaria S.p.A.

On December 24, 2003, Parmalat Finanziaria S.p.A. ("**Parmalat**") was admitted into insolvency proceedings in Italy, known as "extraordinary administration". The Issuer, through certain of its subsidiaries, including BANA, provided financial services and extended credit to Parmalat and its related entities. On June 21, 2004, Extraordinary Commissioner Dr. Enrico Bondi filed with the Italian Ministry of Production Activities a plan of reorganization for the restructuring of the companies of the Parmalat group that are included in the Italian extraordinary administration proceeding.

In July 2004, the Italian Ministry of Production Activities approved the Extraordinary Commissioner's restructuring plan, as amended, for the Parmalat group companies that are included in the Italian extraordinary administration proceeding. This plan was approved by the voting creditors and the Court of Parma, Italy in October of 2005.

Litigation and investigations relating to Parmalat are pending in both Italy and the United States.

Proceedings in Italy

On May 26, 2004, The Public Prosecutor's Office for the Court of Milan, Italy filed criminal charges against Luca Sala, Luis Moncada, and Antonio Luzi, three former employees of the Issuer, alleging the crime of market manipulation in connection with a press release issued by Parmalat. On December 18, 2008 the Court of Milan, Italy fully acquitted each of the former employees of all charges. At this time, the acquittal has not been appealed. The Public Prosecutor's Office also filed a related charge in May 2004 against the Issuer asserting administrative liability based on an alleged failure to maintain an organizational model sufficient to prevent the alleged criminal activities of its former employees. The trial on this administrative charge is ongoing, with hearing dates scheduled in 2009.

Separately, on October 9, 2008, the Public Prosecutor of the Court of Parma, Italy filed a notice of intent to file criminal charges against twelve former and current employees of the Issuer in connection with the insolvency of Parmalat S.p.A. The notice of intent to file charges alleges that the Issuer's transactions with Parmalat contributed to the insolvency of Parmalat, that certain transactions violated the

Italian usury laws, and that certain former employees of the Issuer wrongly diverted funds in connection with certain transactions.

Proceedings in the United States

On March 5, 2004, a First Amended Complaint was filed in a securities action pending in the U.S. District Court for the Southern District of New York entitled *Southern Alaska Carpenters Pension Fund et al. v. Bonlat Financing Corporation et al.* The action was brought as a putative class action on behalf of purchasers of Parmalat securities, alleged violations of the federal securities laws against the Issuer and certain affiliates, and sought unspecified damages. The action was subsequently consolidated as the *In re Parmalat Securities Litigation* before Judge Lewis A. Kaplan of the Southern District of New York. On August 12, 2008, the District Court dismissed the putative class claims against the Issuer and its affiliates in their entirety and no appeal was taken.

On October 7, 2004, Enrico Bondi filed an action in the U.S. District Court for the Western District of North Carolina on behalf of Parmalat and its shareholders and creditors against the Issuer and various related entities, entitled *Dr. Enrico Bondi, Extraordinary Commissioner of Parmalat Finanziaria, S.p.A., et al. v. Bank of America Corporation, et al.* (the “**Bondi Action**”). The complaint alleged federal and state RICO claims and various state law claims, including fraud. The complaint seeks damages in excess of \$10 billion. The Bondi Action was transferred to the U.S. District Court for the Southern District of New York for coordinated pre-trial purposes with putative class actions and other related cases against non-Bank of America defendants under the caption *In re Parmalat Securities Litigation*. Following orders on motions to dismiss, the remaining claims are federal and state RICO claims, a breach of fiduciary duty claim, and other state law claims with respect to three transactions entered into between the Issuer and Parmalat. The Issuer filed an answer and counterclaims (the “**Counterclaims**”) seeking damages. The District Court granted in part a motion to dismiss certain of the Counterclaims, leaving intact the counterclaims for fraud, negligent misrepresentation, and civil conspiracy against Parmalat S.p.A., Parmalat Finanziaria S.p.A., and Parmalat Netherlands, B.V., as well as a claim for securities fraud against Parmalat S.p.A. and Parmalat Finanziaria S.p.A.

Certain purchasers of Parmalat-related private placement offerings have filed complaints against the Issuer and various related entities in the following actions: *Principal Global Investors, LLC, et al. v. Bank of America Corporation, et al.* in the U.S. District Court for the Southern District of Iowa; *Monumental Life Insurance Company, et al. v. Bank of America Corporation, et al.* in the U.S. District Court for the Northern District of Iowa; *Prudential Insurance Company of America and Hartford Life Insurance Company v. Bank of America Corporation, et al.* in the U.S. District Court for the Northern District of Illinois; *Allstate Life Insurance Company v. Bank of America Corporation, et al.* in the U.S. District Court for the Northern District of Illinois; *Hartford Life Insurance v. Bank of America Corporation, et al.* in the U.S. District Court for the Southern District of New York; and *John Hancock Life Insurance Company, et al. v. Bank of America Corporation et al.* in the U.S. District Court for the District of Massachusetts. The actions variously allege violations of federal and state securities law and state common law, and seek rescission and unspecified damages based upon the Issuer’s and related entities’ alleged roles in certain private placement offerings issued by Parmalat-related companies. All cases have been transferred to the U.S. District Court for the Southern District of New York for coordinated pre-trial purposes with the *In re Parmalat Securities Litigation* matter. The plaintiffs seek rescission and unspecified damages resulting from alleged purchases of approximately U.S. \$305 million in private placement instruments.

Pender

The Issuer is a defendant in a putative class action entitled *William L. Pender, et al. v. Bank of America Corporation, et al.* (formerly captioned *Anita Pothier, et al. v. Bank of America Corporation, et*

al.), which is pending in the U.S. District Court for the Western District of North Carolina. The action is brought on behalf of participants in or beneficiaries of The Bank of America Pension Plan (formerly known as the NationsBank Cash Balance Plan) and The Bank of America 401(k) Plan (formerly known as the NationsBank 401(k) Plan). The Issuer, BANA, The Bank of America Pension Plan, The Bank of America 401(k) Plan, the Bank of America Corporation Corporate Benefits Committee and various members thereof, and PricewaterhouseCoopers LLP are defendants. The complaint alleges violations of ERISA, including that the design of The Bank of America Pension Plan violated ERISA's defined benefit pension plan standards and that such plan's definition of normal retirement age is invalid. In addition, the complaint alleges age discrimination by The Bank of America Pension Plan, unlawful lump sum benefit calculation, violation of ERISA's "anti-backloading" rule, that certain voluntary transfers of assets by participants in The Bank of America 401(k) Plan to The Bank of America Pension Plan violated ERISA, and other related claims. The complaint alleges that plan participants are entitled to greater benefits and seeks declaratory relief, monetary relief in an unspecified amount, equitable relief, including an order reforming The Bank of America Pension Plan, attorneys' fees and interest. On December 1, 2005, the plaintiffs moved to certify classes consisting of, among others, (i) all persons who accrued or who are currently accruing benefits under The Bank of America Pension Plan and (ii) all persons who elected to have amounts representing their account balances under The Bank of America 401(k) Plan transferred to The Bank of America Pension Plan. That motion, and a motion to dismiss the complaint, are pending.

Short Term Interest Rate Trading Matter

In February 2009, the positions of a trader who largely traded Scandinavian currencies and related interest rate indices and cross currency basis swaps on the Merrill Lynch International Bank's Short Term Interest Rate Trading desk were reviewed and subsequently marked down.

The Issuer is cooperating with various regulatory authorities who are investigating the matter, both in the United States and in other countries.

Other Regulatory Matters

Except as disclosed in this section 6, the Issuer is not and has not been involved in any governmental, legal, or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document, which may have, or in such period have had a significant effect on the financial position or profitability of the Issuer and/or the Issuer and its subsidiaries, taken as a whole.

7. Independent Registered Public Accounting Firm

The financial statements of the Issuer as of December 31, 2008 and December 31, 2007 and for each of the three years in the period ended December 31, 2008, which are incorporated by reference in this Offering Circular have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report incorporated therein, with respect to the Issuer within the meaning of the applicable rules and regulations adopted by the SEC and the Public Company Accounting Oversight Board (United States). PricewaterhouseCoopers LLP is a member of the American Institute of Certified Public Accountants and is registered with the Public Company Accounting Oversight Board (United States).

The financial statements of Merrill Lynch & Co., Inc. as of December 26, 2008, and December 28, 2007, which are incorporated by reference in this Offering Circular by means of the February 25, 2009, Form 8-K Report, have been audited by Deloitte & Touche LLP.

8. Post-issuance Information

The Issuer does not intend to provide any post-issuance information in relation to any issue of Notes or any Underlying Asset(s). However, the Issuer may prepare one or more supplements to this Offering Circular to reflect, among other things, developments in its business or affairs.

ANNEX A

FORM OF FINAL TERMS FOR NOTES

[Not to be used for Dual Currency Notes, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s) or Physical Delivery Notes]

Final Terms dated [●]

BANK OF AMERICA CORPORATION

Issue of [Aggregate Nominal Amount of Tranche of Notes] [Title of Notes] under the U.S. \$65,000,000,000 Bank of America Corporation Euro Medium-Term Note Program

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions as set forth in the Offering Circular dated July 22, 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospective Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing during normal business hours at [address] and [website] and copies may be obtained from [address].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date] [and the supplemental Offering Circular dated [insert date]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [insert date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Terms and Conditions which are extracted from the Offering Circular dated [insert date] [and the supplemental Offering Circular dated [insert date]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circulars dated [original date] and [current date] [and the supplemental Offering Circulars dated [insert date] and [insert date]]. The Offering Circulars [and the supplemental Offering Circulars] are available for viewing during normal business hours at [address] and [website] and copies may be obtained from [address].]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.]

[When completing any final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.]

1. Issuer: Bank of America Corporation
2. (i) Series Number: [●]
(ii) Tranche Number: [●]
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
3. Specified Currency: [●]
4. Aggregate Nominal Amount of Notes: [●]
(i) Series Number: [●]
(ii) Tranche Number: [●]
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]*, (if applicable)]
6. Specified Denominations: [●] *(Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).)*
7. (i) Issue Date: [●]
(ii) Interest Commencement Date: [●]
[This should be the same as the Issue Date unless this Series is fungible with an existing Series and accrued interest from the previous Interest Period End Date has not been added to the Issue Price in paragraph 5]
[Not Applicable]
8. Maturity Date: *[specify date or (for Floating-Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*
9. Interest Basis: [[●] per cent. Fixed-Rate]
[[LIBOR/EURIBOR] +/- [●] per cent. Floating-Rate]
[Zero Coupon] [Other (*specify*)]
[(further particulars specified below)]
10. Redemption/Payment Basis: [Redemption at par]
[Partly Paid]
[Installment]
[Amortizing]
[Other (*specify*)]

11. Change of Interest or Redemption/Payment Basis: [Specify details of any provision for convertibility of Notes into another Interest Basis or Redemption/Payment Basis]
[Not Applicable]
12. Put/Call Options: [Issuer Call]
[Investor Put]
[(Further particulars specified below)]
13. (i) Status of the Notes: [Senior/Subordinated]
- (ii) [Date [Board] approval for issuance of Notes obtained:] [●] (N.B. Only relevant where Board (or similar) authorization is required for the particular tranche of Notes)
14. Method of Distribution: [Syndicated]/[Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed-Rate Note Provisions: [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) Rate(s) of Interest: [●] per cent. per annum [payable [annually/ semi annually/ quarterly/ monthly] in arrear] (If payable other than in arrear, amend Condition 4)
- (ii) Interest Payment Date(s): [[●] in each year, from and including [●] up to and including Maturity Date]/[specify other] (N.B. This will need to be amended in the case of short or long coupons)
- (iii) Fixed Coupon Amount(s): [[●] per [●] in nominal amount]/[Not Applicable]
- (iv) Broken Amount(s): [Insert particulars of any initial or final broken amounts of interest which do not correspond with the Fixed Coupon Amount(s)]/[Not Applicable]
- (v) Fixed Day Count Fraction: [30/360 / Actual/Actual (ICMA)] [Specify other]
- (vi) Determination Date(s): [●] in each year (insert regular Interest Payment Dates, ignoring Issue Date and Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA). This will need to be amended in the case of regular Interest Payment Dates which are not of equal duration.)
- (vii) Other terms relating to the method of calculating interest for Fixed-Rate Notes: [Not Applicable/Give details]
16. Floating-Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph) (Also consider whether

EURO BBA LIBOR or EURIBOR is the appropriate reference rate)

- (i) Interest Period(s): [The period from (and including), an Interest Period End Date (or the Interest Commencement Date), to (but excluding) the next, or first Interest Period End Date, as the case may be)]
- (ii) Interest Payment Dates: [●] in each year, from and including [●] to and including [●]
- (iii) First Interest Payment Date: [●]
- (iv) Interest Period End Dates: [Each Interest Payment Date] [[●] in each year from (and including) [●] to and including [●]. Interest Period End Dates will not adjust in accordance with the Business Day Convention.]
- (v) Business Day Convention: [Floating Rate Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [Other (*give details*)]
- (vi) Additional Business Center(s) (Condition 4): [●]
- (vii) Formula for Determining Interest Amounts: [Not Applicable/Applicable (*specify details of formula*)]
- (viii) Manner in which the Rate(s) [Screen Rate Determination] of Interest is/are to be determined: [ISDA Determination] [Other (*give details*)]
- (ix) Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount(s): [●]
- (x) Screen Rate Determination:
 - Reference Rate: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) [●] (*Either LIBOR, EURIBOR, or other, although additional information is required if other – including fall back provisions in the Agency Agreement*)
 - Interest Determination Date(s): [●] (*Second London Business Day (as defined in Condition 4(b)(v)) prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR*)
 - Relevant Screen Page: [●] (*in the case of EURIBOR, if not EURIBOR01, ensure it is a page which shows a composite rate or amend the fall back provisions appropriately*)

- (xi) ISDA Determination: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- Floating-Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
- (xii) Margin(s): [+/-] [●] per cent. per annum
- (xiii) Minimum Interest Rate: [[●] per cent. per annum] [Not Applicable]
- (xiv) Maximum Interest Rate: [[●] per cent. per annum] [Not Applicable]
- (xv) Floating Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)]
[Actual/Actual (ICMA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360 or 360/360 or Bond Basis]
[30E/360 or Eurobond Basis]
[30E/360 (ISDA)]
[Other (*specify*)]
(See Condition 4 for alternatives)
- (xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating-Rate Notes, if different from those set out in the Terms and Conditions: [●]
17. Zero Coupon Note Provisions: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Accrual Yield: [●] per cent. per annum
 - (ii) Reference Price: [●]
 - (iii) Any other formula/basis of determining amount payable: [●]
 - (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 6(f) applies/specify other] *(Consider applicable [Fixed] Day Count Fraction if not U.S. Dollar denominated)*

PROVISIONS RELATING TO REDEMPTION

18. Issuer Call Option: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]

- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●]
 - (iii) If redeemable in part: [●]
 - (a) Minimum Redemption Amount: [●]
 - (b) Maximum Redemption Amount: [●]
 - (iv) Notice period (if other than as set out in the Terms and Conditions): [●]
19. Investor Put Option: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): *(Note: this must never be less than 100% of the Specified Denomination)*
 - (iii) Notice period (if other than as set out in the Terms and Conditions): [●]
20. Final Redemption Amount of each Note: [[●] per Note of [●] Specified Denomination/specify other]
[See Appendix]
21. Early Redemption Amount:
- Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Condition 6(f)): [●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes: [Bearer Notes/Registered Notes]
- [If Bearer Notes: [Bearer Temporary Global Note exchangeable for a Bearer Permanent Global Note which is exchangeable for Bearer Definitive Notes in the circumstances specified in the Bearer Permanent Global Note] *(Interests in the Bearer Notes will not be exchangeable for Notes in registered form)*
- [If Registered Notes to be held through the Relevant Clearing Systems:
- [Registered Global Note exchangeable for Registered Definitive Notes in the limited circumstances specified in the Registered Global Note] (Interests in

- the Registered Global Note will not be exchangeable for Notes in bearer form)
- [If Registered Notes not to be held through the Relevant Clearing Systems:
[Registered Definitive Notes]*
23. New Global Note: *[Yes/No] [Note this will be “No” in the case of Registered Notes]*
24. Additional Financial Center(s) or other special provisions relating to Payment Business Days for the purposes of Condition 5(e): *[Not Applicable/Give details.] (Note this item relates to whether a date is a Payment Business Day in the place of payment and not to Interest Payment Dates or Interest Period End Dates, to which paragraphs 16(iv), (v) and (vi) relate. Additional Financial Centers will usually only need to be specified where additional paying agents have been appointed)*
25. Talons for future Coupons or Receipts to be attached to Bearer Definitive Notes (and dates on which such Talons mature): *[Yes/No (If yes, give details)]*
26. Details relating to Partly Paid Notes (amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences, if any, of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment): *[Not Applicable/Give details.] (NB: a new form of Bearer Temporary Global Note and/or Bearer Permanent Global Note may be required for Partly Paid issues)*
27. Details relating to Installment Notes: *[●] [Not Applicable/Give details]*
- (i) Installment Amount(s): *[●]*
- (ii) Installment Date(s): *[●]*
- (iii) Amortization Table for Amortizing Notes: *[Specify]*
28. Redenomination provisions: *[Not Applicable] [The provisions in [Condition 7] annexed to these Final Terms] apply] [If Floating-Rate Notes specify provisions relating to Interest]*
29. Consolidation provisions: *[Not Applicable/The provisions annexed to these Final Terms apply]*
30. Other final terms: *[Not Applicable/give details](When adding any other final terms consideration should be given as to whether such terms constitute a “significant new factor” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive)*

DISTRIBUTION

31. (i) If syndicated, names [and¹ of Managers [and underwriting commitments and date of the syndication agreement]¹: [Not Applicable/give names, [and addresses] of dealers [and underwriting commitments and date of syndication agreement]¹]
- (ii) Stabilizing Manager (if any): [Not Applicable/give name]
32. If non-syndicated, name [and address]² of Dealer: [Not applicable/give name [and address]²]
33. [Total commission and concession]: [●] per cent. of the Aggregate Nominal Amount³
34. U.S. Selling Restrictions: Regulation S Compliance Category: 2; [TEFRA D/TEFRA not applicable]
35. Non-exempt Offer: [An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) – which must be jurisdictions where the Offering Circular and any supplements have been passported] [(“**Public Offer Jurisdictions**”)] during the period from [specify date] until [specify date] [(“**Offer Period**”)]. See further paragraph 8 of Part B below.] [Not Applicable]
36. Additional selling restrictions: [Not Applicable/Give details]

ISSUE AND LISTING AND ADMISSION TO TRADING

These Final Terms comprise the final terms required for issue and [public offer in the countries specified in paragraph 35] [and] admission to trading on the London Stock Exchange of the Notes described herein pursuant to the U.S. \$65,000,000,000 Euro Medium-Term Note Program of Bank of America Corporation.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[Relevant third party information] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Acknowledged and accepted by
Bank of America Corporation

By:

Name:

Title:

- 1 Addresses only in regard to Notes with a denomination of less than €50,000. Also for Notes with a denomination of less than €50,000, need to specify underwriting commitments and date of subscription agreement.
- 2 Addresses only in regard to Notes with a denomination of less than €50,000.
- 3 Relevant only in regard to Notes with a denomination of less than €50,000.

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: [London/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].] [Not Applicable.] (*N.B. Admission to trading will be Not Applicable for Notes listed on the Professional Securities Market in London.*) (*Where documenting a fungible issue, indicate that original Notes are already admitted to trading*)
- (iii) [Estimate of total expenses related to admission to trading:]⁴ [●]

2. RATINGS

- Ratings: The Notes to be issued have been rated:
- [S&P: [●]]
[Moody's: [●]]
[[Other]: [●]]
- [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]⁵*
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.)*
- A rating is not a recommendation to buy, sell, or hold the Notes and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.

3. [INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE]

[Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. – *Amend if there are other interests*]

4. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES]

- (i) [Reason for the offer: [●] (*See "Use of Proceeds" wording in Offering Circular – if reasons for offer different from making*)

⁴ Relevant only in regard to Notes with a denomination of at least €50,000.

⁵ Relevant only in regard to Notes with a denomination of less than €50,000.

profit and/or hedging certain risks will need to include those reasons here, unless the denomination of the Notes is at least €50,000.)]

- (ii) [Estimated net proceeds:] *(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]*
- (iii) [Estimated total expenses:] *[Include breakdown of expenses into each principal intended “use”, presented in order of priority of such “uses”.] (Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]*
5. **[YIELD (Fixed-Rate Notes only)
Indication of yield:]** *[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*
6. **[HISTORIC INTEREST RATES
(Floating-Rate Notes only)⁶]** *[Details of historic [LIBOR/EURIBOR/OTHER] rates can be obtained from Reuters]*
7. **OPERATIONAL INFORMATION**
- (i) ISIN Code:
- (ii) Common Code:
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): *[Not Applicable/give name(s) and number(s)]*
- (iv) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No] *[only applicable for Global Notes issued in NGN form]*
- [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the international central securities depositaries as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [include this text if “yes” is selected in which case the Notes must be issued in NGN form]*
- (v) Delivery: *Delivery [against/free of] payment*

6 Relevant only in regard to Notes with a denomination of less than €50,000

- (vi) Names and addresses of additional Paying Agent(s) (if any):
8. **[TERMS AND CONDITIONS OF THE OFFER]**⁷
- Offer Period: to
- Offer Price:
- Conditions to which the offer is subject: [Not applicable/*give details*]
- Description of the application process: [Not applicable/*give details*]
- Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not applicable/*give details*]
- Details of the minimum and/or maximum amount of application⁸: [Not applicable/*give details*]
- Details of the method and time limits for paying up and delivering the Notes: [Not applicable/*give details*]
- Manner and date in which results of the offer are to be made public: [Not applicable/*give details*]
- Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not applicable/*give details*]
- Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries⁹:
- Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not applicable/*give details*]
- Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not applicable/*give details*]
- Name(s) and address(es), to the extent known to the Issuer, of the places in the various countries where the offer takes place: [Not applicable/*give details*]

7 Relevant only in regard to Notes with a denomination of less than €50,000.

8 Whether in number of Notes or aggregate amount to invest.

9 If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.

ANNEX B

FORM OF FINAL TERMS FOR NOTES LINKED TO UNDERLYING ASSET(S)

[To be used for Dual Currency, Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, Notes Linked to other Underlying Asset(s) or Physical Delivery Notes]

Final Terms dated [●]

BANK OF AMERICA CORPORATION

*Issue of [Aggregate Nominal Amount of Tranche of Notes] [Title of Notes] under the
U.S. \$65,000,000,000
Bank of America Corporation Euro Medium-Term Note Program*

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions as set forth in the Offering Circular dated July 22, 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospective Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing during normal business hours at [address] and [website] and copies may be obtained from [address].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date] [and the supplemental Offering Circular dated [insert date]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [insert date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Terms and Conditions which are extracted from the Offering Circular dated [insert date] [and the supplemental Offering Circular dated [insert date]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circulars dated [original date] and [current date] [and the supplemental Offering Circulars dated [insert date] and [insert date]]. The Offering Circulars [and the supplemental Offering Circulars] are available for viewing during normal business hours at [address] and [website] and copies may be obtained from [address].]

Purchase of these Notes involves substantial risks. Prospective investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Notes. Prospective investors should make all pertinent inquiries they deem necessary without relying on the Issuer or the Dealer. Prospective investors should consider the suitability of the Notes as an investment in light of their own circumstances, investment objectives, tax position, and financial condition. Prospective investors should consider carefully all the information set forth in these Final Terms along with all the information set forth in the Offering Circular. Prospective investors should pay particular attention to the section entitled “Risk Factors” in the Offering Circular (pages 17 to 26 inclusive).

[Include whichever of the following apply or specify as “Not Applicable”(N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.]

[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.]

1. Issuer: Bank of America Corporation
2. (i) Series Number: [●]
(ii) Tranche Number: [●]
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
3. Specified Currency (or Currencies in the case of Dual Currency Notes): [●]
4. Aggregate Nominal Amount of Notes: [●]
(i) Series: [●]
(ii) Tranche: [●]
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
5. Issue Price: [[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6. Specified Denominations: [●]
(Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).)
7. (i) Issue Date: [●]
(ii) Interest Commencement Date: [●]
[This should be the same as the Issue Date unless this Series is fungible with an existing Series and accrued interest from the previous Interest Period End Date has not been added to the Issue Price in paragraph 5]
[Not Applicable]
8. Maturity Date: [Specify date]

9. Type of Notes: The Notes are [Index Linked Notes — Annex 1 is applicable] [Share Linked Notes — Annex 2 is applicable] [Inflation Linked Notes — Annex 3 is applicable] [Commodity Linked Notes — Annex 4 is applicable] [FX Linked Notes — Annex 5 is applicable] [Hybrid Notes — Annexes [●] and [●] are applicable] [Other] (*Specify*)
10. Interest Basis [[●] per cent. Fixed-Rate]
 [[LIBOR/EURIBOR] +/- [●] per cent. Floating-Rate]
 [Zero Coupon]
 [Index Linked]
 [Share Linked]
 [Inflation Linked]
 [Commodity Linked]
 [FX Linked]
 [Dual Currency]
 [Hybrid]
 [Other (*specify*)]
 (further particulars specified below)
 [The Notes are not interest bearing]
11. Redemption/Payment Basis: [Redemption at par]
 [Index Linked]
 [Share Linked]
 [Inflation Linked]
 [Commodity Linked]
 [FX Linked]
 [Hybrid]
 [Dual Currency]
 [Partly Paid]
 [Amortizing]
 [Installment]
 [Physical Settlement]
 [Cash Settlement]
 [Other (*specify*)]
 (further particulars specified below)
12. Change of Interest Basis or Redemption/
 Payment Basis: [*Specify details of any provision for convertibility of
 Notes into another Interest Basis or Redemption/
 Payment Basis*] [Not Applicable]
13. Put/Call Options: [Investor Put]
 [Issuer Call]
 [(further particulars specified below)]
14. (i) Status of the Notes: [Senior/Subordinated]
 (ii) [Date [Board] approval for issuance
 of Notes obtained:] [●] (*N.B. Only relevant where Board (or similar)
 authorization is required for the particular tranche of
 Notes*)
15. Method of Distribution: [Syndicated]/[Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed-Rate Note Provisions: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate(s) of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] *(if payable other than in arrear, amend Condition 4)*
- (ii) Interest Payment Date(s): [[●] in each year, from and including [●] up to and including Maturity Date]/[Specify other] *(N.B. This will need to be amended in the case of short or long coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in nominal amount]/[Not Applicable]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken amounts of interest which do not correspond with the Fixed Coupon Amount(s)]/[Not Applicable]*
- (v) Fixed Day Count Fraction: [30/360 / Actual/Actual (ICMA)] [Specify other]
- (vi) Determination Date(s): [●] *in each year (Insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA). This will need to be amended in the case of regular Interest Payment Dates which are not of equal duration.)*
- (vii) Other terms relating to the method of calculating interest for Fixed-Rate Notes: [Not Applicable/Give details]
17. Floating-Rate Note Provisions: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s): [The period from (and including), an Interest Period End Date (or the Interest Commencement Date), to (but excluding) the next, or first Interest Period End Date, as the case may be]
- (ii) Interest Payment Dates: [●] in each year, from and including [●] to and including [●]
- (iii) First Interest Payment Date: [●]
- (iv) Interest Period End Dates: [Each Interest Payment Date] [[●] in each year from and including [●] to and including [●]. Interest Period End Dates will not adjust in accordance with the Business Day Convention.]
- (v) Business Day Convention: [Floating Rate Convention]
[Following Business Day Convention]

	[Modified Following Business Day Convention] [Preceding Business Day Convention] [Other (<i>give details</i>)]
(vi) Additional Business Center(s) (Condition 4):	[●]
(vii) Formula for Determining Interest Amounts:	[Not Applicable/Applicable (<i>specify details of formula</i>)]
(viii) Manner in which the Rate(s) of Interest is to be determined:	[Screen Rate Determination] [ISDA Determination][Other (<i>give details</i>)]
(ix) Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount(s):	[●]
(x) Screen Rate Determination:	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
– Reference Rate:	[●] (<i>Either LIBOR, EURIBOR or other, although additional information is required if other – including fallback provisions in the Agency Agreement</i>)
– Interest Determination Date(s):	[●] (<i>Second London Business Day (as defined in Condition 4(b)(v)) prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR</i>)
– Relevant Screen Page:	[●] (<i>In the case of EURIBOR, if not EURIBOR01 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately</i>)
(xi) ISDA Determination:	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraph of this paragraph</i>)
– Floating-Rate Option:	[●]
– Designated Maturity:	[●]
– Reset Date:	[●]
(xii) Margin(s):	[+/-][●] per cent. per annum
(xiii) Minimum Interest Rate:	[[●] per cent. per annum] [Not Applicable]
(xiv) Maximum Interest Rate:	[[●] per cent. per annum] [Not Applicable]
(xv) Floating Day Count Fraction:	[Actual/Actual or Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)]

- [Actual/360]
 [30/360 or 360/360 or Bond Basis]
 [30E/360 or Eurobond Basis]
 [30E/360 (ISDA)]
 [Other (*specify*)]
 (*See Condition 4 for alternatives*)
- (xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating-Rate Notes, if different from those set out in the Terms and Conditions:
18. Zero Coupon Note Provisions: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Accrual Yield: per cent. per annum
- (ii) Reference Price:
- (iii) Any other formula/basis of determining amount payable:
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 6(f) applies/specify other] (*Consider applicable Day Count Fraction if not U.S. Dollar denominated*)
19. Dual Currency Note Provisions: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Rate of Exchange or method of calculating Rate of Exchange: [Give or annex details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:
- (iv) Person at whose option Specified Currency(ies) is/are payable:
20. Index Linked Note Interest Provisions: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Interest Payment Date(s):
- (ii) Interest Period(s):
- (iii) Interest Period End Dates:

- (iv) Business Day Convention: [Floating Rate Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
[Other (*give details*)]
- (v) Additional Business Center(s)
(Condition 4(b)): [●]
- (vi) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)]
[Actual/Actual (ICMA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360 or 360/360 or Bond Basis]
[30E/360 or Eurobond Basis]
[30E/360 (ISDA)]
[Other (*specify*)]
[Not Applicable]
(*See Condition 4 for alternatives*)
- (vii) Rate of Interest: [Not Applicable/Applicable] (*If applicable, specify rate or method of determining rate*)
[*Note: If interest is based on a fixed or floating rate (subject to an index-linked pre-condition) then provisions equivalent to those in paragraphs 16 or 17 (as applicable) would need to be included in subparagraphs (i) to (vii) above. Adjustment of interest periods for non business days must be considered in the light of the valuation disruption provisions in the Index Linked Conditions.*]
- (viii) Interest Amount: [Not Applicable/Applicable] (*If applicable specify method of determining amount*)
- (ix) Single Index or Index Basket: [Single Index/Index Basket]
- (x) Index/Indices: [*Specify name of Index/Indices*]
- (xi) Type of Index: [Standard Index/Composite Index/Proprietary Index/Other]
- (xii) Exchange(s): [●]
- (xiii) Related Exchange(s): [[●]/All Exchanges]
- (xiv) Index Sponsor: [●]
- (xv) Index Level: [As defined in Index Linked Condition 9/Other (*specify*)]

(xvi)	Initial Valuation Date:	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xvii)	Initial Averaging Date(s):	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xviii)	Interest Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xix)	Averaging Dates:	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xx)	Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xxi)	Valuation Time:	[As specified in Index Linked Condition 2/[●]]
(xxii)	Market Disruption Events/ Disrupted Days:	[As defined in Index Linked Condition 2/[●]]
(xxiii)	Consequences of Disrupted Days:	[As defined in Index Linked Condition 1/[●]]
(xxiv)	If Initial Averaging Dates and/or Averaging Dates are applicable, the consequences of Disrupted Days:	[Not Applicable/Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Omission:	[Not Applicable/Applicable]
	(b) Postponement:	[Not Applicable/Applicable]
	(c) Modified Postponement:	[Not Applicable/Applicable]
(xxv)	Maximum Days of Disruption:	[Eight Scheduled Trading Days/[●]]
(xxvi)	Basket (Common Disrupted Day Roll):	[Not Applicable/Applicable] <i>(If applicable, specify Indices and dates to which applicable)</i>
(xxvii)	Basket (Common Scheduled Trading Day Roll):	[Not Applicable/Applicable] <i>(If applicable, specify Indices and dates to which applicable)</i>
(xxviii)	Fallback Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable, specify date(s))</i>
(xxix)	Observation Period:	[Not Applicable/[●]] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Observation Period Start Date:	[●]
	(b) Observation Period End Date:	[●]
(xxx)	Common Observation Period(s):	[Not Applicable/[●]] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Common Observation Period Start [●] Date(s):	[●]
	(b) Common Observation Period End [●] Date(s):	[●]
(xxxi)	Index Modification:	[Calculation Agent Adjustment/Related Exchange Adjustment]
(xxxii)	Index Cancellation:	[Calculation Agent Adjustment/Related Exchange Adjustment]

(xxxiii) Index Disruption:	[Calculation Agent Adjustment/Related Exchange Adjustment]
(xxxiv) Corrections:	[Not Applicable/Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) Index/Indices to which corrections are applicable:	[●]
(b) Correction Cut-off Date(s):	[Not Applicable/[●]]
(c) Clearance System:	[As specified in Index Linked Condition 9/ [●]]
(xxxv) Additional Disruption Events:	[Not Applicable/Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) Change in Law:	[Not Applicable/Applicable] [The Strike Date is [●]] <i>(Specify if Change in Law is applicable)</i>
(b) Hedging Disruption:	[Not Applicable/Applicable]
(c) Increased Cost of Hedging:	[The Strike Date is [●]] <i>(Specify if Increased Cost of Hedging is applicable)</i>
(xxxvi) Index Disclaimer:	[Applicable/ Not Applicable]
(xxxvii) Other terms relating to Index Linked Interest:	[None/Give details]
21. Share Linked Interest Note Provisions:	[Applicable/ Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Interest Payment Date(s):	[●]
(ii) Interest Period(s):	[●]
(iii) Business Day Convention:	[Floating Rate Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [Other <i>(give details)</i>]
(iv) Additional Business Center(s) (Condition 4(b)):	[●]
(v) Day Count Fraction:	[Actual/Actual or Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 or 360/360 or Bond Basis] [30E/360 or Eurobond Basis] [30E/360 (ISDA)] [Other <i>(specify)</i>] <i>(See Condition 4 for alternatives)</i>

(vi)	Rate of Interest:	[Not Applicable/Applicable] <i>(If applicable, specify rate or method of determining rate)</i>
(vii)	Interest Amount:	[Not Applicable/Applicable] <i>(If applicable specify method of determining amount)</i>
(viii)	Single Share or Share Basket:	[Single Share/Share Basket]
(ix)	Share(s):	[Specify name of Share(s) and ISIN of Share(s)]
(x)	Exchange(s):	[●]
(xi)	Related Exchange(s):	[[●]/All Exchanges]
(xii)	Share Price:	[As defined in Share Linked Condition 9/Other] <i>(Specify)</i>
(xiii)	Initial Valuation Date:	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xiv)	Initial Averaging Date(s):	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xv)	Interest Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xvi)	Averaging Dates:	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xvii)	Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(xviii)	Valuation Time:	[As specified in Share Linked Condition 2/[●]]
(xix)	Market Disruption Events/ Disrupted Days:	[As specified in Share Linked Condition 2/[●]]
(xx)	Consequences of Disrupted Days:	[As defined in Share Linked Condition 1/[●]]
(xxi)	If Initial Averaging Dates and/or Averaging Dates are applicable, the consequences of Disrupted Days:	[Not Applicable/Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Omission:	[Not Applicable/Applicable]
	(b) Postponement:	[Not Applicable/Applicable]
	(c) Modified Postponement:	[Not Applicable/Applicable]
(xxii)	Maximum Days of Disruption:	[Eight Scheduled Trading Days/[●]]
(xxiii)	Basket Valuation (Common Disrupted Day Roll):	[Not Applicable/Applicable] <i>(If applicable, specify Indices and dates to which applicable)</i>
(xxiv)	Basket Valuation (Common Scheduled Trading Day Roll):	[Not Applicable/Applicable] <i>(If applicable, specify Indices and dates to which applicable)</i>
(xxv)	Fallback Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable, specify date(s))</i>
(xxvi)	Observation Period:	[Not Applicable/[●]] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (a) Observation Period Start Date: [●]
- (b) Observation Period End Date: [●]
- (xxvii) Common Observation Period(s): Not Applicable/[●] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (a) Common Observation Period Start Date(s): [●]
 - (b) Common Observation Period End Date(s): [●]
- (xxviii) Corrections: [Not Applicable/Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (a) Share/Shares to which corrections are applicable: [●]
 - (b) Corrections Cut-off Date(s): [Not Applicable/[●]]
 - (c) Clearance System: [As specified in Share Linked Condition 9/[●]]
- (xxix) Additional Disruption Events: [Not Applicable/Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (a) Change in Law: [Not Applicable/Applicable] [The Strike Date is [●] *(Specify if Change in Law is applicable)*]
 - (b) Hedging Disruption: [Not Applicable/Applicable]
 - (c) Increased Cost of Hedging: [Applicable/Not Applicable] [The Strike Date is [●] *(Specify if Increased Cost of Hedging is applicable)*]
 - (d) Increased Costs of Stock Borrow: [Applicable/Not Applicable] [The Initial Stock Loan rate in respect of [Specify in relation to each Share] is [●] *(Specify if Increased Cost of Stock Borrow is applicable)*]
 - (e) Insolvency Filing: [Applicable/Not Applicable]
 - (f) Failure to Deliver: [Applicable/Not Applicable]
 - (g) Loss of Stock Borrow: [Applicable/Not Applicable] [The Maximum Stock Loan Rate in respect of [Specify in relation to each Share] is [●] *(Specify if Loss of Stock Borrow is applicable)*]
- (xxx) Share Substitution Provisions: [Applicable/Not Applicable]
- (xxxi) ADR Provisions: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (a) ADRs: [Specify]
- (b) Underlying Shares: [Specify]
- (c) Underlying Share Issuer: [Specify]
- (xxxii) Other terms relating to Share Linked Interest: [None/Give Details]
22. Inflation Linked Interest Notes: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Payment Date(s): [●]
- (ii) Interest Period(s): [●]
- (iii) Interest Period End Dates: [●]
- (iv) Business Day Convention: [Floating Rate Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
[Other (give details)]
- (v) Additional Business Center(s) (Condition 4(b)): [●]
- (vi) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)]
[Actual/Actual (ICMA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360 or 360/360 or Bond Basis]
[30E/360 or Eurobond Basis]
[30E/360 (ISDA)]
[Other (specify)]
(See Condition 4 for alternatives)
- (vii) Rate of Interest: [Not Applicable/Applicable] *(If applicable, specify rate or method of determining rate)*
[Note: If interest is based on a fixed or floating rate (subject to an inflation-linked pre-condition) then provisions equivalent to those in paragraphs 16 or 17 (as applicable) would need to be included in sub-paragraphs (i) to (vii) above. Adjustment of interest periods for non-business days must be considered in the light of the valuation disruption provisions in the Inflation Linked Conditions.]

- (viii) Interest Amount: [Not Applicable/Applicable] *(If applicable, specify method of determining amount)*
- (ix) Index/Indices: [Specify]
- (x) Index Sponsor(s) [Specify]
- (xi) Inflation Cut-Off Date: [Specify] *(N.B. If no specification is made, such date will be the fifth Business Day prior to each payment date)*
- (xii) Correction Cut-off Date: [Specify]
- (xiii) Related Bond: [Applicable/Not Applicable] [Specify]
(N.B. If no specification is made, the Related Bond will be the Fallback Bond. If Fallback Bond is specified as Not Applicable, there will be no Related Bond for the purposes of the Notes.)
- (xiv) Fallback Bond: [Applicable/Not Applicable]
- (xv) Other terms relating to Inflation Linked Interest: [None/Give details]
23. Commodity Linked Interest Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Interest Payment Date(s): [●]
- (ii) Interest Period(s): [●]
- (iii) Interest Period End Dates: [●]
- (iv) Business Day Convention: [Floating Rate Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
[Other *(give details)*]
- (v) Additional Business Center(s) (Condition 4(b)): [●]
- (vi) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)]
[Actual/Actual (ICMA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360 or 360/360 or Bond Basis]
[30E/360 or Eurobond Basis]
[30E/360 (ISDA)]
[Other (specify)]
(See Condition 4 for alternatives)

- (vii) Rate of interest: [Not Applicable/Applicable] (*If applicable, specify rate or method of determining rate*)
- [Note: If interest is based on a fixed or floating rate (subject to a commodity-linked pre-condition) then provisions equivalent to those in paragraphs 16 or 17 (as applicable) would need to be included in sub-paragraphs (i) to (vii) above. Adjustment of interest periods for non-business days must be considered in the light of the valuation disruption provisions in the Commodity Linked Conditions.]*
- [Not Applicable/Applicable] (*If applicable specify method of determining rate*)
- (viii) Interest Amount: [Not Applicable/Applicable] (*If applicable specify method of determining amount*)
- (ix) Commodity/Commodities: [Specify]
- (x) Commodity Reference Price: [Specify Reference Price in relation to each Commodity]
[Note: if “Commodity-Reference Dealers” is specified here, then “Price Source Disruption” should be specified in paragraph (xx) below as applicable]
- (xi) Delivery Dates: [Specify date, or a month and year][Specify nth Nearby Month] [Specify other determination method]
[If “Commodity Reference Price” references a term defined in the 2005 ISDA Commodity Definitions, specify “Not Applicable”]
- (xii) Pricing Dates: [Specify dates or alternatively a determination method, as well as a Fallback Pricing Date (if applicable)]
- (xiii) Exchange: [Specify]
- (xiv) Price Materiality Percentage: [Specify]
- (xv) Price Source: [Specify if “Commodity Reference Price” does not reference a term defined in the ISDA 2005 Commodity Definitions. If it does, state “As per definition of Commodity Reference Price”]
- (xvi) Correction Cut-off Date: [Applicable (Specify)/Not Applicable]
- (xvii) Reference Dealers: [Specify four dealers if the Commodity Reference Price is “Commodity-Reference Dealers”/Not Applicable]

- (xviii) Specified Price: *[Specify one of the following to be applicable]*
 [high price]
 [low price]
 [average of high price and low price]
 [closing price]
 [opening price]
 [bid price]
 [asked price]
 [average of bid price and asked price]
 [settlement price]
 [official settlement price]
 [official price]
 [morning fixing]
 [afternoon fixing]
 [spot price]
 [other]
- (xix) Unit: *[specify if “Commodity Reference Price” does not reference a term defined in the ISDA 2005 Commodity Definitions. If it does, state “As per definition of Commodity Reference Price”]*
- (xx) Market Disruption Event: *[The following Market Disruption Events apply to the Notes: (Specify each of the following which applies)]*
 [Price Source Disruption]
 [Trading Disruption]
 [Disappearance of Commodity Reference Price]
 [Material Change in Formula]
 [Material Change in Content]
 [Tax Disruption]
[Note: if no Market Disruption Events are specified as applicable then all of the above (except Tax Disruption) are deemed applicable, except for Bullion Linked Notes for which Price Source Disruption, Trading Disruption and Disappearance of Commodity Reference Price are deemed applicable]
- (xxi) Disruption Fallback: *[Applicable/Not Applicable/Specify] (if applicable, specify each of the following which applies, and the order in which each specified fallback applies. If “Not Applicable” is specified, Calculation Agent Determination will apply)*
 [Fallback Reference dealers] [Fallback Reference Price] [Postponement] [Calculation Agent Determination] [Delayed Publication or Announcement]
- (xxii) Trade Date: *[Specify] [A date must be specified here, for the purpose of the Market Disruption Events]*

- (xxiii) Maximum Days of Disruption: Commodity Business Days (*if no Maximum Days of Disruption are stated, Maximum Days of Disruption will be equal to five Commodity Business Days*)
- (xxiv) Additional Bullion Provisions: [Applicable/Not Applicable]
- (xxv) Bullion Business Day Centers: [Not Applicable]
- (xxvi) Bullion Reference Dealers: [*Specify four members of the London Bullion Market Association*]
- (xxvii) Common Pricing: [Applicable/Not Applicable] [*Specify Not Applicable if there is only one Commodity*]
- (xxviii) Other terms relating to Commodity Linked interest: None/*Give details*
24. FX Linked Interest Note Provisions: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Interest Payment Date(s):
- (ii) Interest Period(s):
- (iii) Interest Period End Dates:
- (iv) Business Day Convention: [Floating Rate Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business day Convention]
[Other (*specify*)]
- (v) Additional Business Center(s) (Condition 4(b)):
- (vi) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)]
[Actual/Actual (ICMA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360 or 360/360 or Bond Basis]
[30E/360 or Eurobond Basis]
[30E/360 (ISDA)]
[Other (*specify*)]
(*See Condition 4 for alternatives*)

- (vii) Rate of Interest: [Not Applicable/Applicable] (*If applicable, specify rate or method of determining rate*)
- [Note: If interest is based on a fixed or floating rate (subject to an FX-linked pre-condition) then provisions equivalent to those in paragraphs 16 or 17 (as applicable) would need to be included in sub-paragraphs (i) to (vii) above. Adjustment of interest periods for non-business days must be considered in the light of the valuation disruption provisions in the FX Linked Conditions.]*
- (viii) Interest Amount: [Not Applicable/Applicable] (*If applicable specify method of determining amount*)
- (ix) Reference Currency: [Specify]
- (x) Settlement Currency: [Specify]
- (xi) Event Currency (if other than the Reference Currency): [Specify] [Not Applicable]
- (xii) Principal Financial Center: [Specify]
- (xiii) FX Business Day – additional financial centers: (*Specify any financial centers in addition to the principal financial center of the Reference Currency*)
- (xiv) FX Valuation Date: [Specify]
- (xv) Settlement Rate Option: [Specify]
- (xvi) Minimum Amount: [Specify] [*Needs to be specified for “Illiquidity”, but if not specified for “Specific Inconvertibility”, defaults to the Event Currency equivalent of US\$1*]
- (xvii) Price Materiality Percentage: [Specify]
- (xviii) Disruption Events: [*Specify each of the following which applies*]
 [Dual Exchange Rate]
 [General Inconvertibility]
 [General Non-Transferability]
 [Governmental Authority Default]
 [Illiquidity] [*If applicable, consider whether an Illiquidity Valuation Date should be applicable*]
 [Inconvertibility/Non-Transferability]
 [Nationalization]
 [Price Materiality] [*If applicable, need to specify a Primary Rate and a Secondary Rate*]
 [Price Source Disruption]
 [Specific Inconvertibility]
 [Specific Non-Transferability]

- [Benchmark Obligation Default] *[If applicable, need to specify Benchmark Obligation]*
 [Material Change in Circumstance]
 [General Inconvertibility/Non-Transferability]
 [Party Specific Events]
- (xix) Disruption Fallback: [Calculation Agent Determination/Fallback Reference Price *(if applicable one or more Fallback Reference Prices needs to be specified)*/Postponement *(if applicable, need to specify a number of FX Business Days as the Maximum Days of Disruption)*]
- (xx) Other terms relating to FX Linked Interest: [None/Give details]

PROVISIONS RELATING TO REDEMPTION

25. Issuer Call Option: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] Specified Denomination
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [●]
- (b) Higher Redemption Amount: [●]
- (iv) Notice period (if other than as set out in the Terms and Conditions): [●]
26. Investor Put Option: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●]
- (iii) Notice period (if other than as set out in the Terms and Conditions): [●]
27. Final Redemption Amount of each Note: [[●] per Note of [●] Specified Denomination /See item [●] below]/[Specify other]
28. Index Linked Redemption Notes: [●] [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Final Redemption Amount: [●]

(ii) Single Index or a Index Basket:	[Single Index/Index Basket]
(iii) Index/Indices:	[<i>specify name of Index/Indices</i>]
(iv) Type of Index:	[Standard Index/Composite Index/Proprietary Index/Other]
(v) Exchange(s):	[●]
(vi) Related Exchange(s):	[[●]/All Exchanges]
(vii) Index Sponsor:	[●]
(viii) Index Level:	[As defined in Index Linked Condition 9/Other (<i>specify</i>)]
(ix) Initial Valuation Date(s):	[Not Applicable/[●]] (<i>If applicable, specify dates</i>)
(x) Initial Averaging Date(s):	[Not Applicable/[●]] (<i>If applicable, specify dates</i>)
(xi) Averaging Dates:	[Not Applicable/[●]] (<i>If applicable, specify dates</i>)
(xii) Valuation Date(s):	[Not Applicable/[●]] (<i>If applicable, specify dates</i>)
(xiii) Valuation Time:	[As specified in Index Linked Condition 2/[●]]
(xiv) Market Disruption Events/ Disrupted Days:	[As defined in Index Linked Condition 2/[●]]
(xv) Consequences of Disrupted Days:	[As defined in Index Linked Condition 1/[●]]
(xvi) If Initial Averaging Dates and/or Averaging Dates are applicable, the consequences of Disrupted Days:	[Not Applicable/Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(a) Omission:	[Not Applicable/Applicable]
(b) Postponement:	[Not Applicable/Applicable]
(c) Modified Postponement:	[Not Applicable/Applicable]
(xvii) Maximum Days of Disruption:	[Eight Scheduled Trading Days/[●]]
(xviii) Basket Valuation (Common Disrupted Day Roll):	[Not Applicable/Applicable] (<i>If applicable, specify Indices and dates to which applicable</i>) [For the purposes of Index Linked Condition 10.4(i), Index Linked Condition 1.1(ii) [10.2] applies]. [For the purposes of Index Linked Condition 10.4(ii), Index Linked Condition 1.2] [10.3] applies
(xix) Basket Valuation (Common Scheduled Trading Day Roll):	[Not Applicable/Applicable] (<i>If applicable, specify Indices and dates to which applicable</i>)
(xx) Fallback Valuation Date:	[Not Applicable/[●]] (<i>If applicable, specify date(s)</i>)
(xxi) Observation Period(s):	[Not Applicable/Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)

- (a) Observation Period Start Date(s): [●]
- (b) Observation Period End Date(s): [●]
- (xxii) Common Observation Period(s): [Not applicable/Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (a) Common Observation Period Start Date(s): [●]
 - (b) Common Observation Period End Date(s): [●]
- (xxiii) Index Modification: [Calculation Agent Adjustment/Related Exchange Adjustment]
- (xxiv) Index Cancellation: [Calculation Agent Adjustment/Related Exchange Adjustment]
- (xxv) Index Disruption: [Calculation Agent Adjustment/Related Exchange Adjustment]
- (xxvi) Corrections: [Not Applicable/Applicable] *(If not applicable, delete the remaining sub-paragraph)*
 - (a) Index/Indices to which corrections are applicable: [●]
 - (b) Correction Cut-off Date(s): [Not applicable/[●]]
 - (c) Clearance System: [As specified in Index Linked Condition 9/[●]]
- (xxvii) Additional Disruption Events: [Not Applicable/Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (a) Change in Law: [Not Applicable/Applicable]
 - [The Strike Date is [●]] *(Specify if Change in Law is applicable)*
 - (b) Hedging Disruption: [Not Applicable/Applicable]
 - (c) Increase Cost of Hedging: [Not Applicable/Applicable]
 - [The Strike Date is [●]] *(Specify if Change in Law is applicable)*
- (xxviii) Index Disclaimer: [Applicable/Applicable]
- (xxix) Automatic Early Redemption Event: [Not Applicable/Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (a) Automatic Early Redemption Date: [●]
 - (b) Automatic Early Redemption Event(s): [●]

(c) Redemption Amount payable on Automatic Early Redemption Date(s):	[●]
(xxx) Other provisions relating to Index Linked Redemption Notes:	[None/Give details]
29. Share Linked Redemption Notes:	[Applicable/Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Final Redemption Amount:	[●]
(ii) Single Share or Share Basket:	[Single Share/Share Basket]
(iii) Share(s):	[<i>(Specify name of Share(s) and ISIN of Share(s))</i>]
(iv) Exchange(s):	[●]
(v) Related Exchange(s):	[[●]/All Exchanges]
(vi) Share Price:	[As specified in Share Linked Condition 9/Other] <i>(Specify)</i>
(vii) Initial Valuation Date:	[Not Applicable/[●]] <i>(If applicable, specify dates)</i>
(viii) Initial Averaging Date(s):	[Not Applicable/[●]] <i>(If applicable specify dates)</i>
(ix) Averaging Dates:	[Not Applicable/[●]] <i>(If applicable specify dates)</i>
(x) Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable specify dates)</i>
(xi) Valuation Time:	[As defined in Share Linked Conditions 2/[●]]
(xii) Market Disruption Events/Disrupted Days:	[As defined in Share Linked Conditions 2/[●]]
(xiii) Consequences of Disrupted Days:	[As defined in Share Linked Conditions 1/[●]]
(xiv) If Initial Averaging Dates and/or Averaging Dates are applicable, the consequences of Disrupted Days:	[Not Applicable/Applicable]
(a) Omission:	[Not Applicable/Applicable]
(b) Postponement:	[Not Applicable/Applicable]
(c) Modified Postponement:	[Not Applicable/Applicable]
(xv) Maximum Days of Disruption:	[Eight Scheduled Trading Days/[●]]
(xvi) Basket Valuation (Common Disrupted Day Roll):	[Not Applicable/Applicable] <i>(If applicable, specify Indices and dates to which applicable)</i>
(xvii) Basket Valuation (Common Scheduled Trading Day Roll):	[Not Applicable] <i>(If applicable, specify Indices and dates to which applicable)</i>
(xviii) Fallback Valuation Date(s):	[Not Applicable/[●]] <i>(If applicable, specify date(s))</i>

- (xix) Observation Period: [Not Applicable/[●]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Observation Period Start Date: [●]
- (b) Observation Period End Date: [●]
- (xx) Common Observation Period(s): [Not Applicable/[●]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Common Observation Period Start Date(s): [●]
- (b) Common Observation Period End Date(s): [●]
- (xxi) Corrections: [Not Applicable/[●]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Share/Shares to which corrections are applicable: [●]
- (b) Correction Cut-off Date(s): [Not Applicable/[●]]
- (c) Clearance System: [As specified in Share Linked Condition 9/[●]]
- (xxii) Additional Disruption Events: (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Change in Law: [Not Applicable/Applicable] [The Strike Date is [●]] (*Specify if Change in Law is applicable*)
- (b) Hedging Disruption: [Not Applicable/Applicable]
- (c) Increased Cost of Hedging: [Applicable/Not Applicable] [The Strike Date is [●]] (*Specify if Increased Cost of Hedging is applicable*)
- (d) Increased Cost of Stock Borrow: [Applicable/Not Applicable] [the Initial Stock Loan rate in respect of [*Specify if Increased Cost of Stock Borrow is applicable*]]
- (e) Insolvency Filing: [Applicable/Not Applicable]
- (f) Failure to Deliver: [Applicable/Not Applicable]
- (g) Loss of Stock Borrow: [Applicable/Not Applicable] [The Maximum Stock Loan Rate in respect [*Specify in relation to each Share*] is [●] (*Specify if Loss of Stock Borrow is applicable*)]
- (h) Share Substitution: [Applicable/Not Applicable]
- (xxiii) ADR Provisions: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) ADRs: [*Specify*]

- (b) Underlying Shares: [Specify]
- (c) Underlying Share Issuer: [Specify]
- (xxiv) Automatic Early Redemption Event: [Applicable/Not Applicable/Specify “greater than”/“greater than or equal to”/“less than”/“less than or equal to”] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Automatic Early Redemption Amount: [Specify]
- (b) Automatic Early Redemption Date(s): [Specify]
- (xxv) Other provisions relating to Share Linked Redemption Notes: [None/Give details]
30. Inflation Linked Redemption Notes: [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Final Redemption Amount: [●]
- (ii) Index/Indices: [Specify]
- (iii) Index Sponsor: [Specify]
- (iv) Inflation Cut-Off Date: [Specify]
(N.B. If no specification is made, such date will be the fifth Business Day prior to each Determination Date)
- (v) Correction Cut-Off Date: [Specify] (N.B. If no specification is made, such date will be the fifth Business Day prior to each payment date)
- (vi) Related Bond: [Specify]
(N.B. If no specification is made, the Related Bond will be the Fallback Bond. If Fallback Bond is specified as Not Applicable, there will be no Related Bond for the purposes of the Notes.)
- (vii) Fallback Bond: [Applicable/Not Applicable]
- (viii) Other provisions relation to Inflation Linked Redemption Notes: [None/Give details]
31. Commodity Linked Redemption Notes: [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Final Redemption Amount: [●]
- (ii) Commodity/Commodities: [Specify]
- (iii) Commodity Reference Price: [Specify Reference Price in relation to each Commodity] [Note: If “Commodity-Reference

Dealers” is specified here, then “Price Source Disruption” should be specified in paragraph (xv) below as applicable]

- (iv) Delivery Dates: *[Specify date, or a month and year] [Specify nth Nearby Month] [Specify other determination method] [If “Commodity Reference Price” references a term defined in the 2005 ISDA Commodity Definitions, specify “Not Applicable”]*
- (v) Pricing Date: *[Specify dates or alternatively a determination method as well as a Fallback Pricing Date (if applicable)]*
- (vi) Exchange: *[Specify]*
- (vii) Price Materiality Percentage: *[Specify]*
- (viii) Price Source: *[Specify if “Commodity Reference Price” does not reference a term defined in the ISDA 2005 Commodity Definitions. If it does, state “As per definition of Commodity Reference Price”]*
- (ix) Correction Cut-off Date: *[Applicable (Specify) Not Applicable]*
- (x) Reference Dealers: *[Specify four dealers if the Commodity Reference Price is “Commodity-Reference Dealers”/Not Applicable]*
- (xi) Specified Price: *[Specify one of the following to be applicable] [high price]
[low price]
[average of high price and low price]
[closing price]
[opening price]
[bid price]
[asked price]
[average of bid price and asked price]
[settlement price]
[official settlement price]
[official price]
[morning fixing]
[afternoon fixing]
[spot price]
[other]*
- (xii) Unit: *[Specify if “Commodity Reference Price” does not reference a term defined in the ISDA 2005 Commodity Definitions. If it does, state “As per definition of Commodity Reference Price”.]*
- (xiii) Market Disruption Event: *[The following Market Disruption Events apply to the Notes:
(Specify each of the following which applies)
[Price Source Disruption]*

- [Trading Disruption]
 [Disappearance of Commodity Reference Price]
 [Material Change in Formula]
 [Material Change in Content]
 [Tax Disruption]]
- [Note: if no Market Disruption Events are specified as applicable then all of the above (except Tax Disruption) are deemed applicable, except for Bullion Linked Notes for which Price Source Disruption, Trading Disruption and Disappearance of Commodity Reference Price are deemed applicable]*
- (xiv) Disruption Fallback: [Applicable/Not Applicable/Specify]
- (if applicable, Specify each of the following which applies, and the order in which each specified fallback applies. If “Not Applicable” is specified, Calculation Agent Determination will apply)*
- [Fallback Valuation Date]
 [Fallback Reference Dealers]
 [Fallback Reference Price]
 [Postponement]
 [Calculation Agent Determination]
 [Delayed Publication or Announcement]
- (xv) Trade Date: [Specify]
- (xvi) Maximum Days of Disruption: [●] Commodity Business Days *(if no Maximum Days of Disruption are stated, Maximum Days of Disruption will be equal to five Commodity Business Days)*
- (xvii) Additional Bullion Provisions: [Applicable/Not Applicable]
- (xviii) Bullion Business Day Centers: [●] [Not Applicable]
- (xix) Bullion Reference Dealers: [Specify four members of the London Bullion Market Association]
- (xx) Common Pricing: [Applicable/Not Applicable] [Specify “Not Applicable” if there is only one Commodity]
- (xxi) Other terms relating to Commodity Linked Redemption Notes: [None/Give details]
32. FX Linked Redemption Notes:
- (i) Final Redemption Amount: [●]
- (ii) Reference Currency: [Specify]
- (iii) Settlement Currency: [Specify]

- (iv) Event Currency (if other than the Reference Currency): [Specify] [Not Applicable]
- (v) Principal Financial Center: [Specify]
- (vi) FX Business Day – additional financial centers: (Specify any financial centers in addition to the Principal Financial Center of the Reference Currency)
- (vii) FX Valuation Date: [Specify]
- (viii) Settlement Rate Option: [Specify]
- (ix) Minimum Amount: [Specify] [Needs to be specified for “Illiquidity”, but if not specified for “Specific Inconvertibility”, defaults to Event Currency equivalent of US\$1]
- (x) Price Materiality Percentage: [Specify]
- (xi) Disruption Events: [Specify each of the following which applies]
 [Dual Exchange Rate]
 [General Inconvertibility]
 [General Non-Transferability]
 [Government Authority Default]
 [Illiquidity] [If applicable, consider whether an Illiquidity Valuation Date should be applicable]
 [Inconvertibility/Non-Transferability]
 [Nationalization]
 [Price Materiality] [If applicable, need to specify a Primary Rate and a Secondary Rate]
 [Price Source Disruption]
 [Specific Inconvertibility]
 [Specific Non-Transferability]
 [Benchmark Obligation Default] [If applicable, need to specify Benchmark Obligation]
 [Material Change in Circumstance]
 [General Inconvertibility/Non-Transferability]
 [Party Specific Events]
- (xii) Disruption Fallback: [Calculation Agent Determination/Fallback Reference Price (if applicable one or more Fallback Reference Prices needs to be specified)/Postponement (if applicable, need to specify a number of FX Business Days as the Maximum Days of Disruption)]
- (xiii) Other terms relating to FX Linked Redemption Notes: [None/Give details]

33. Early Redemption Amount: [●]
 Early Redemption Amount of each Note payable on redemption for taxation reasons or on Event of Default or other early redemption and/or the method of calculating the same (if required or if different from that set out in Condition 6(f)):
34. Physical Delivery Amount: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Relevant Asset(s): The relevant assets to which the Notes relate [is/are] [●]
- (ii) Physical Delivery Amount: The Physical Delivery Amount in relation to each Note is [●]
- (iii) Physical Delivery Cut-off Date: [●]
- (iv) Failure to Deliver due to Illiquidity: [Applicable/Not Applicable]
- (v) Delivery Agent: [*Specify*]
35. Settlement Business Day: [*Specify*]
36. Variation of Settlement:
- (i) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Notes.
- (ii) Variation of Settlement of Physical Delivery Notes: [Notwithstanding the fact that the Notes are Physical Delivery Notes, the Issuer may make payment of the Cash Settlement Amount on the Maturity Date and the provisions of Condition 5(h)(B) will apply to the Notes./The Issuer will procure delivery of the Physical Delivery Amount in respect of the Notes and the provisions of Condition 5(h)(B) will not apply to the Notes.]
- (iii) Noteholders' option to vary Settlement: The Noteholder [has/does not have] the option to elect between cash payment or physical delivery or other method [*Specify*]
37. Principal Protection: [Principal Protected][Non-Principal Protected]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

38. Form of Notes: [Bearer Notes/Registered Notes]
 [*If Bearer Notes:*
 [Bearer Temporary Global Note exchangeable for a Bearer Permanent Global Note which is exchangeable for Bearer Definitive Notes in the circumstances

specified in the Bearer Permanent Global Note] (*Interests in the Bearer Notes will not be exchangeable for Notes in registered form*)

[If Registered Notes to be held through Relevant Clearing Systems:

[Registered Global Note is exchangeable for Registered Definitive Note in the limited circumstances specified in the Registered Global Note (Interests in the Registered Global Note will not be exchangeable for Notes in bearer form)

[If Registered Notes not to be held through the Relevant Clearing Systems:

[Registered Definitive Notes]

39. New Global Note: [Yes/No] *[Note this will be “No” in respect of Registered Notes]*
40. Additional Financial Center(s) or other special provisions relating to Payment Business Days for the purposes of Condition 5(d):] [Not Applicable/give details] (*Note this item relates to whether a date is a Payment Business Day in the place of payment and not to Interest Payment Dates or Interest Period End Dates, to which paragraphs 16(iv), 16(v) or 16(vi) relate. Additional Financial Centers will usually only need to be specified where additional paying agents have been appointed.*)
41. Talons for future Coupons or Receipts to be attached to Bearer Definitive Notes (and dates on which such Talons mature): [Yes/No (*If yes, give details*)]
42. Details relating to Partly Paid Notes (amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences, if any, of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment): [Not Applicable/give details] (*N.B. a new form of Bearer Temporary Global Note and/or Bearer Permanent Global Note may be required for Partly Paid issues*)
43. Details relating to Installment Notes: [Not Applicable/give details]
- (i) Installment Amounts: [●]
- (ii) Installment Dates: [●]
- (iii) Amortization Table for Amortizing Notes: [*Specify*]
44. Redenomination provisions: [Not Applicable/The provisions [in Condition 7] [annexed to these Final Terms] apply] (*If Floating-Rate Notes specify provisions relating to Interest*)

45. Consolidation provisions: [Not Applicable/The provisions annexed to these Final Terms apply]
46. Other final terms: [Not Applicable/give details]
- (When adding any other final terms consideration should be given as to whether such terms constitute a “significant new factor” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive)*

DISTRIBUTION

47. (i) If syndicated, names [and addresses]¹ of Managers [and underwriting commitments and date of the syndication agreement]¹: [Not Applicable/give name, [and addresses] of dealers [and underwriting commitments and date of syndication agreement]¹
- (ii) Stabilizing Manager (if any): [Not Applicable/give name]
48. If non-syndicated, name [and address]² of Dealer: [Not Applicable/give name [and address]]
49. [Total commission and concession: [●] per cent. of the Aggregate Nominal Amount]³
50. U.S. Selling Restrictions: Regulation S Compliance Category: 2; [TEFRA D/TEFRA not applicable]
51. Non-exempt Offer: [An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) — which must be jurisdictions where the Offering Circular and any supplements have been passported] [(“**Public Offer Jurisdictions**”)] during the period from [specify date] until [specify date] [(“**Offer Period**”)]. See further Paragraph 11 of Part B below.] [Not Applicable]
52. Additional selling restrictions: [Not Applicable/give details]

PROVISIONS RELATING TO UNITED STATES WITHHOLDING TAXES

53. Structured Note The Notes are “Structured Notes” for purposes of the discussion under “United States Taxation” in the Offering Circular.
54. United States Withholding Tax: [Except as set forth in “United States Taxation” in the Offering Circular, the Issuer does not intend to

1 Addresses only in regard to Notes with a denomination of less than €50,000. Also for Notes with a denomination of less than €50,000, need to specify underwriting commitments and date of subscription agreement.

2 Addresses only in regard to Notes with a denomination of less than €50,000.

3 Relevant only in regard to Notes with a denomination of less than €50,000.

withhold United States federal income tax with respect to payments to United States Aliens.]/[The Issuer or its agent will withhold 30% of all payments of interest and other amounts subject to withholding, if any, and remit such withheld taxes to the United States Internal Revenue Service.]/[Although the Notes are Non-Principal Protected Notes, the Issuer does not intend to withhold United States federal income tax with respect to payments to United States Aliens, except in the circumstances set forth in “United States Taxation” in the Offering Circular in which the Issuer would withhold United States federal income tax on Principal Protected Notes]

55. Additional Amounts

[Specify if the default provisions set forth in Condition 8(i) or 8(j) are modified/Condition 8 applies][Pursuant to the authority in Condition 8(i), the Issuer hereby provides that it will pay Additional Amounts with respect to the Notes.][Pursuant to the authority in Condition 8(j), the Issuer hereby provides that it will not pay Additional Amounts with respect to the Notes.]

ISSUE AND LISTING AND ADMISSION TO TRADING

These Final Terms comprise the final terms required for issue and [public offer in the countries specified in paragraph 51] [and] admission to trading on the London Stock Exchange of the Notes described herein pursuant to the U.S. \$65,000,000,000 Euro Medium-Term Note Program of Bank of America Corporation.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[Relevant third party information] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Acknowledged and accepted by:

Bank of America Corporation

By:

Name:

Title:

PART B — OTHER INFORMATION

1. LISTING

- (i) Listing: [London/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].] [Not Applicable.] (*N.B. Admission to trading will be Not Applicable for Notes listed on the Professional Securities Market in London.*) (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
- (iii) [Estimate of total expenses related to admission to trading:]⁴ [●]

2. RATINGS

Ratings: [The Notes to be issued have been rated:
[S&P: [●]]
[Moody's: [●]]
[[Other]: [●]]
[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]⁵ (The above disclosure should reflect the rating allocated to Notes of the type being issued under the program generally or, where the issue has been specifically rated, that rating.)]

[The long-term debt of the Issuer has been rated:

	Senior Long-Term Debt:	Subordinated Long-Term Debt:
[S&P:	[A]	[A-]
[Moody's:	[A2]	[A3]
[Fitch:	[A+]	[A]
[Other:	[●]	[●]

[The Notes have not been rated.] The ratings given above are the ratings of the long-term debt of the Issuer.

[(The above disclosure should reflect the rating allocated to the long-term debt of the Issuer and should be included either (a) in the event that the Notes have not been rated or (b) as further disclosure along with the rating allocated to the Notes)]]

4 Relevant only in regard to Notes with a denomination of at least €50,000.

5 Relevant only in regard to Notes with a denomination of less than €50,000.

- A rating is not a recommendation to buy, sell, or hold the Notes and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.
3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/ OFFER]** [Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. – *Amend if there are other interests*]
4. **[REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES]**
- [(i) Reasons for the offer: [●]
(See “Use of Proceeds” wording in Offering Circular — if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]
- [(ii) Estimated net proceeds: [●]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]
- [(iii) Estimated total expenses: [●]
[Include breakdown of expenses into each principal intended “use”, presented in order of priority of such “uses”] (Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above)]
5. **[HISTORIC INTEREST RATES] (For Notes with floating rate interest)⁶** [Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]
6. **[PERFORMANCE OF INDEX/ FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING]** *(Index Linked Notes, Share Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Hybrid Notes, and Notes Linked to other Underlying Asset(s) only)* [Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and, if the notes have a denomination of less than €50,000 or equivalent, a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.] [Where the underlying is an index, need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation]

⁶ Relevant only in regard to Notes with a denomination of less than €50,000.

7. **[PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT] (*Dual Currency Notes only*)** *[Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and, if the Notes have a denomination of less than €50,000 or equivalent, a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*
8. **INDEX DISCLAIMER/ UNDERLYING DISCLAIMER** *[Insert Index Sponsor's form of Index disclaimer]*
[For additional use in connection with Inflation Indices]
[Related Bond Disclaimer]
 The Notes are not sponsored, endorsed, sold or promoted by the issuer of the Related Bond and the issuer of the Related Bond has made no representation whatsoever, whether express or implied, as to the performance of the Related Bond and/or any amendments, adjustments or modifications to the terms and conditions of the Related Bond, and/or as to the results to be obtained from the use of any value or index level determined or derived with respect to the Related Bond or otherwise. The issuer of the Related Bond shall not be liable (whether in negligence or otherwise) to any person for any error in the index level or any value determined or derived with respect to the Related Bond and such issuer is under no obligation to advise any person of any error with respect thereto. The issuer of the Related Bond has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the issuer of the Related Bond nor any calculation agent in respect thereof shall have any liability to any person for any act or failure to act in connection with the Related Bond.]
9. **OPERATIONAL INFORMATION**
- (i) ISIN Code: [●]
- (ii) Common Code: [●]
- (iii) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg approved by the Issuer and the Principal Agent and the relevant identification number(s): *[Not Applicable/give name(s) and number(s)]*

- (iv) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes/No] [only applicable for Bearer Global Notes issued in NGN form] [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the international central securities depositories as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *(include this text if “yes” selected in which case the Notes must be issued in NGN form.)*
- (v) Delivery: Delivery [against/free of] payment
- (vi) Names and addresses of additional Paying Agent(s) (if any): [Not Applicable/*give name*]

10. **[TERMS AND CONDITIONS OF THE OFFER]⁷**

- Offer Period: [[●] to [●]]
- Offer Price: [●]
- Conditions to which the offer is subject: [Not applicable/*give details*]
- Description of the application process: [Not applicable/*give details*]
- Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not applicable/*give details*]
- Details of the minimum and/or maximum amount of application:⁷ [Not applicable/*give details*]
- Details of the method and time limits for paying up and delivering the Notes: [Not applicable/*give details*]
- Manner and date in which results of the offer are to be made public: [Not applicable/*give details*]
- Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not applicable/*give details*]
- Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: [●]

⁷ Whether in number of Notes or aggregate amount to invest.

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:

[Not applicable/*give details*]

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

[Not applicable/*give details*]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

[Not applicable/*give details*]

PART C — OTHER APPLICABLE TERMS

[Insert any particular country requirements if required]

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133 Fleet Street
London EC4A 2BB
United Kingdom

Merrill Lynch International
Merrill Lynch Financial Centre
2 King Edward Street
London EC1A 1HQ
United Kingdom

The Royal Bank of Scotland plc
135 Bishopsgate
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Germany

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
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United Kingdom

Deutsche Bank AG, London Branch
Winchester House
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London EC2N 2DB
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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE ISSUER

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