

**EXECUTION VERSION**

# **SUPPLEMENTAL FISCAL AGENCY AGREEMENT**

**16TH JULY, 2020**

**SKANDINAVISKA ENSKILDA BANKEN AB (publ)**

**Global Programme for the Continuous Issuance  
of Medium Term Notes and Covered Bonds**

**ALLEN & OVERY**

**Allen & Overy LLP**

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**THIS SUPPLEMENTAL FISCAL AGENCY AGREEMENT** (this **Agreement**) is made on 16th July, 2020

**BETWEEN:**

- (1) **SKANDINAVISKA ENSKILDA BANKEN AB (publ)** (the **Bank**);
- (2) **CITIBANK N.A., LONDON BRANCH** in its capacity as fiscal agent (the **Fiscal Agent**, which expression shall include any successor to Citibank N.A., London Branch in its capacity as such) and in its capacity as principal registrar (the **Principal Registrar**, which expression shall include any successor to Citibank N.A., London Branch in its capacity as such);
- (3) **CITIGROUP GLOBAL MARKETS EUROPE AG** in its capacity as alternative registrar (the **Alternative Registrar**, which expression shall include any successor to Citigroup Global Markets Europe AG in its capacity as such); and
- (4) **CITIBANK EUROPE PLC** in its capacity as paying agent (together with the Fiscal Agent, the **Paying Agents**, which expression shall include the Fiscal Agent and any substitute or additional paying agents appointed in accordance herewith).

**WHEREAS:**

- (A) The parties to this Agreement entered into an amended and restated fiscal agency agreement dated 26th June, 2020 (the **Principal Agency Agreement**) in respect of the Bank's programme (the Programme) for the continuous issuance of MTNs and Covered Bonds.
- (B) The parties hereto have agreed to enter into this Agreement to effect certain modifications to the Principal Agency Agreement.

**IT IS HEREBY AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

Terms defined or construed in the Principal Agency Agreement shall bear the same meanings or construction when used in this Agreement. In the event of any inconsistency between definitions in the Principal Agency Agreement and this Agreement, the definition in this Agreement shall apply for the purposes of this Agreement without prejudice to the foregoing.

**2. AMENDMENTS TO THE PRINCIPAL AGENCY AGREEMENT**

The Terms and Conditions of the Notes set out in Schedule 2 to the Principal Agency Agreement shall be replaced by the Terms and Conditions of the Notes set out in Annex 1 to this Agreement.

**3. MISCELLANEOUS**

The provisions of clauses 30, 31 and 32 of the Principal Agency Agreement shall also apply to this Agreement as if expressly incorporated into this Agreement and amended appropriately to refer to this Agreement.

**4. EFFECTIVE DATE**

- 4.1 This Agreement supplements and should be read in conjunction with the Principal Agency Agreement. The amendments contemplated by this Agreement shall take effect from the date hereof. Save for the amendments to the Principal Agency Agreement expressly provided herein, all terms

and conditions of the Principal Agency Agreement shall remain in full force and effect. The Principal Agency Agreement and this Agreement shall henceforth be read and construed together as one agreement.

- 4.2 Any Notes issued under the Programme on or after the date of this Agreement (other than any Notes to be consolidated and form a single series with any Notes issued under the Programme prior to the date of this Agreement) shall be issued pursuant to the Principal Agency Agreement as supplemented by this Agreement. The amendments contemplated by this Agreement do not affect any Notes issued under the Programme prior to the date of this Agreement.

**IN WITNESS** whereof this Agreement has been entered into the day and year first above written.

**SIGNATORIES**

**The Bank**

**SKANDINAVISKA ENSKILDA BANKEN AB (publ)**

By:

  
**Johan Nyberg**

By:



**Staffan Beckvid**

**The Fiscal Agent and the Principal Registrar**

**CITIBANK, N.A., LONDON BRANCH**

By:

**The Alternative Registrar**

**CITIGROUP GLOBAL MARKETS EUROPE AG**

By:

By:

**The Paying Agent**

**CITIBANK EUROPE PLC**

By:

**SIGNATORIES**

**The Bank**

**SKANDINAVISKA ENSKILDA BANKEN AB (publ)**

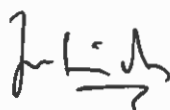
By:

By:

**The Fiscal Agent and the Principal Registrar**

**CITIBANK, N.A., LONDON BRANCH**

By:



**Justin Ng  
Director**

**The Alternative Registrar**

**CITIGROUP GLOBAL MARKETS EUROPE AG**

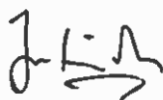
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By:

**The Paying Agent**

**CITIBANK EUROPE PLC**

By:



**Justin Ng  
Authorised Attorney**

**SIGNATORIES**

**The Bank**

**SKANDINAVISKA ENSKILDA BANKEN AB (publ)**

By:

By:

**The Fiscal Agent and the Principal Registrar**

**CITIBANK, N.A., LONDON BRANCH**

By:

**The Alternative Registrar**

**CITIGROUP GLOBAL MARKETS EUROPE AG**

By:



Gabriele Fisch

By:



Lothar Schäfer

**The Paying Agent**

**CITIBANK EUROPE PLC**

By:

## ANNEX 1

### TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which (subject to completion) will be applicable to each Series of Notes:*

This Note is one of a Series (as defined below) of Notes issued by Skandinaviska Enskilda Banken AB (publ) (the **Bank**) in accordance with an amended and restated fiscal agency agreement dated 26th June, 2020, as supplemented by the Supplemental Fiscal Agency Agreement dated 16th July, 2020 (together, the **Fiscal Agency Agreement**, which expression shall include any amendments or supplements thereto) made between the Bank, Citibank N.A., London Branch in its capacities as fiscal agent (the **Fiscal Agent**, which expression shall include any successor to Citibank N.A., London Branch in its capacity as such) and as principal registrar (the **Principal Registrar**, which expression shall include any successor to Citibank N.A., London Branch in its capacity as such), Citigroup Global Markets Europe AG in its capacity as alternative registrar (the **Alternative Registrar**, which expression shall include any successor to Citigroup Global Markets Europe AG in its capacity as such) and certain other financial institutions named therein in their capacities as paying agents (the **Paying Agents**, which expression shall include the Fiscal Agent and any substitute or additional paying agents appointed in accordance with the Fiscal Agency Agreement).

If so specified in the applicable Final Terms, the Bank will also appoint a calculation agent with respect to a Series (the **Calculation Agent**, which expression shall include any successor calculation agent and any other calculation agent specified in the applicable Final Terms).

References herein to the **Notes** shall, except where the context otherwise requires, be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note (a **Global Note**), units of the lowest Specified Denomination in the Specified Currency;
- (ii) any Global Note;
- (iii) any definitive Notes in bearer form (**Bearer Notes**) issued in exchange for a Global Note in bearer form; and
- (iv) any definitive Notes in registered form (**Registered Notes**) whether or not issued in exchange for a Global Note in registered form.

The Notes are the subject of a set of final terms (the **applicable Final Terms**) prepared by or on behalf of the Bank a copy of which is available for inspection at the specified office of the Fiscal Agent or, if this Note forms part of a Series of Registered Notes, the Registrar.

The applicable Final Terms (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions.

The expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

Words and expressions defined in the Fiscal 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 and provided that, in the event of inconsistency between the Fiscal Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

Any reference to **Noteholders** or **Holders** in relation to the Notes shall mean (if this Note forms part of a Series of Bearer Notes) the bearers of the Notes and (if this Note forms part of a Series of Registered Notes) the persons in whose name the Notes are registered and shall, if the Notes are represented by a Global Note, be construed as provided below. Any reference herein to **Receiptholders** shall mean the holders of the



Receipts (as defined below) and any reference herein to **Couponholders** shall mean the holders of the Coupons (as defined below) and shall, unless the context otherwise requires, include the holders of the Talons (as defined below).

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of the Deed of Covenant (the **Deed of Covenant**) dated 18th June, 2014 and made by the Bank. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Fiscal Agency Agreement, the Deed of Covenant and a deed poll (the **Deed Poll**) dated 2nd November, 2007 and made by the Bank are available for inspection during normal business hours at the specified office of each of the Paying Agents and the Registrar (as defined below). If the Notes are to be admitted to trading on the regulated market of the Irish Stock Exchange plc, trading as Euronext Dublin (**Euronext Dublin**), the Final Terms will be published on the website of Euronext Dublin at [www.ise.ie](http://www.ise.ie). Copies of the applicable Final Terms are also available for viewing at Skandinaviska Enskilda Banken AB (publ), Kungsträdgårdsgatan 8, SE-106 40 Stockholm, Sweden and copies may be obtained from Citibank N.A., London Branch, 14th Floor, Citigroup Centre, 25 Canada Square, Canary Wharf, London E14 5LB. 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 Fiscal Agency Agreement, the Deed of Covenant, the Deed Poll and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Fiscal Agency Agreement.

In these Terms and Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

## 1. Form and Denomination

### *General Provisions*

**1.01** Notes are issued in bearer form or in registered form, as specified in the applicable Final Terms, and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa.

This Note may be a medium term note (an **MTN**) or a covered bond (a **Covered Bond**) issued, in the latter case, as bonds (*säkerställda obligationer*) pursuant to the Swedish Act (2003:1223) on Issuance of Covered Bonds (*lagen (2003:1223) om utgivning av säkerställda obligationer*) (the **Covered Bond Act**), as specified in the applicable Final Terms. If this Note is an MTN, it may be a Senior Note or a Subordinated Note and, in the case of a Senior Note, a Senior Preferred Note (including a Senior Preferred MREL Eligible Note) or a Senior Non-Preferred Note or, in the case of a Subordinated Note, a Senior Subordinated Note or a Tier 2 Subordinated Note, in each case as specified in the applicable Final Terms. References in these Terms and Conditions to **Notes** shall be construed accordingly.

This Note may (i) bear interest calculated by reference to one or more fixed rates of interest (such Note, a **Fixed Rate Note**), (ii) bear interest calculated by reference to, in the case of an initial period, an initial fixed rate of interest and, thereafter, the applicable fixed rate of interest that has been determined pursuant to the reset provisions contained in these Terms and Conditions, by reference to a mid-market swap rate for the Specified Currency (such Note, a **Fixed Reset Note**), (iii) bear interest calculated by reference to one or more floating rates of interest (such Note, a **Floating Rate Note**), (iv) be issued on a non-interest bearing

basis and be offered and sold at a discount to its nominal amount (such Note, a **Zero Coupon Note**), or (v) be a combination of any of the foregoing.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

### ***Bearer Notes***

**1.02** Bearer Notes are represented upon issue either (a) if so specified in the applicable Final Terms, by a temporary global note (a **Temporary Global Note**) or (b) if so specified in the applicable Final Terms, by a permanent global note (a **Permanent Global Note** and, together with a Temporary Global Note, the **Bearer Global Notes**), in each case in substantially the form (subject to amendment and completion) scheduled to the Fiscal Agency Agreement. In the case of Notes represented on issue by a Temporary Global Note, on or after the date (the **Exchange Date**) which is 40 days after the date of issue of the Notes and provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in the form set out in the Temporary Global Note) has been received, interests in the Temporary Global Note may be exchanged for either:

- (i) if so specified in the applicable Final Terms, interests in a Permanent Global Note; or
- (ii) if so specified in the applicable Final Terms, definitive Notes in substantially the form (subject to amendment and completion) scheduled to the Fiscal Agency Agreement.

**1.03** If any date on which a payment of interest is due on the Bearer Notes occurs whilst any of the Bearer Notes are represented by a Temporary Global Note, the related interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations has been received by Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**). Payments of principal or interest (if any) on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg without any requirement for certification.

**1.04** Interests in a Permanent Global Note will, as specified in the applicable Final Terms, be exchangeable for definitive Notes in whole (but not in part only) either:

- (i) at the option of the holders of interests in such Permanent Global Note; or
- (ii) only upon the occurrence of an Exchange Event (as defined in Condition 1.07).

**1.05** Interest-bearing definitive Bearer Notes will have attached thereto at the time of their initial delivery Coupons, presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below. Interest-bearing definitive Bearer Notes which have more than 27 interest payments remaining on issue will also have attached thereto at the time of their initial delivery talons for further Coupons (**Talons**). Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments will have receipts (**Receipts**) for the payment of the instalments of principal (other than the final instalment) attached on issue. Bearer Global Notes do not have Receipts, Coupons or Talons attached on issue.

### ***Registered Notes***

**1.06** Registered Notes will:

- (i) if offered and sold in reliance on Regulation S, initially be represented by a global note in registered form, without Receipts or Coupons (a **Regulation S Global Note**); or
- (ii) if offered and sold in reliance on Rule 144A under the Securities Act, initially be represented by a global note in registered form, without Receipts or Coupon (a **Rule 144A Global Note** and, together with a Regulation S Global Note, the **Registered Global Notes**).

Each Registered Global Note will be deposited with either (a) if so specified in the applicable Final Terms, a common depository for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee for such common depository or (b) if so specified in the applicable Final Terms, a custodian for, and registered in the name of a nominee of, The Depository Trust Company in New York (**DTC**) and each Registered Global Note will be in substantially the form (subject to completion) scheduled to the Fiscal Agency Agreement. Interests in Registered Global Notes may be exchanged for definitive Registered Notes, without Receipts or Coupons, in the manner, and subject to the conditions, set out in Condition 1.07 and Condition 2.

**1.07** Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes only upon the occurrence of an Exchange Event. For these purposes, Exchange Event means that (i) an Event of Default has occurred and is continuing, (ii) in the case of a Series of Notes some or all of which are held through DTC, DTC has notified the Bank that it is unwilling or unable to continue to act as depository for the Notes or DTC has ceased to constitute a clearing agency registered under the Exchange Act and, in each case, no alternative clearing system is available, (iii) in the case of a Series of Notes some or all of which are held through Euroclear and/or Clearstream, Luxembourg, the Bank has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available, or (iv) the Bank has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form.

## **2. Title**

**2.01** Subject as set out below, title to Bearer Notes, Receipts and Coupons passes by delivery.

**2.02** Subject as set out below, title to Registered Notes passes by registration in the register (the **Register**) which is kept by the Principal Registrar or, if the applicable Final Terms so specifies, the Alternative **Registrar**. For the purposes of these Terms and Conditions, **Registrar** means the Principal Registrar or the Alternative Registrar as so specified in the applicable Final Terms.

**2.03** The Holder of any Note, Receipt or Coupon will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Bearer Global Note or a Registered Global Note held by or on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Bank, the Registrar and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Bank, the Registrar and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **Holder** and related expressions shall be construed accordingly.

For so long as DTC or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Fiscal Agency Agreement and the Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

### ***Transfer of Registered Notes***

**2.04** Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Registered Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Fiscal Agency Agreement. Transfers of a Registered Global Note held through DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to a nominee of DTC or to a successor of DTC or such successor's nominee.

**2.05** Subject as provided in paragraphs 2.08 and 2.09 below, upon the terms and subject to the conditions set forth in the Fiscal Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in any Specified Denomination). In order to effect any such transfer (i) the Holder or Holders must (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar, with the form of transfer thereon duly executed by the Holder or Holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar and (ii) the Registrar must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Bank and the Registrar may from time to time prescribe (the initial such regulations being set out in the Fiscal Agency Agreement). Subject as provided above, the Registrar will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

**2.06** In the event of a partial redemption of Notes under Condition 5.04, the Bank shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

**2.07** Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Bank may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

**2.08** Prior to expiry of the period that ends 40 days after the completion of the distribution of the Tranche of Notes of which this Note forms part, transfers by the Holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Fiscal Agency Agreement, amended as appropriate (a **Transfer Certificate**), copies of which are available from the specified office of the Registrar, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a "qualified institutional buyer" (a **QIB**) within the meaning of

Rule 144A (**Rule 144A**) under the U.S. Securities Act of 1933, as amended (the **Securities Act**) in a transaction meeting the requirements of Rule 144A; or

- (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Bank (but at the cost of the transferee and/or transferor) of such satisfactory evidence as the Bank may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

**2.09** Transfers of Legended Notes (as defined below) or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S under the Securities Act; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Bank (but at the cost of the transferee and/or transferor) of such satisfactory evidence as the Bank may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the legend on the face of any such Note detailing the restrictions on transfer of the Note, the Registrar shall deliver only Legended Notes or refuse to remove such legend, as the case may be, unless there is delivered to the Bank such satisfactory evidence as may reasonably be required by the Bank, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

In these Terms and Conditions, **Legended Note** means Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A.

### **3. Status**

The applicable Final Terms will indicate whether the Notes are Senior Notes, Subordinated Notes or Covered Bonds.

#### **3A. Status – Senior Notes**

##### ***Senior Preferred Notes***

**3A.01** This Condition 3A.01 is applicable in relation to Notes specified in the applicable Final Terms as being Senior Preferred Notes (including Senior Preferred MREL Eligible Notes). In such case, the Notes constitute unsecured and unsubordinated obligations of the Bank and rank *pari passu* without any preference among themselves. In the event of the (a) voluntary or involuntary liquidation (*likvidation*) or (b) bankruptcy (*konkurs*) of the Bank, the rights of the Holders of the Notes to payments on or in respect of the Notes shall rank at least *pari passu* with the claims of creditors on or in respect of all other outstanding unsecured and unsubordinated obligations of the Bank, present and future (including Senior Preferred Obligations), but only to the extent permitted by laws relating to creditors' rights, and in priority to the claims of creditors on or in respect of all Senior Non-Preferred Obligations.

In these Terms and Conditions:

**Senior Non-Preferred Obligations** means all outstanding unsecured and unsubordinated obligations of the Bank, present and future, that rank or are expressed to rank junior to Senior Preferred Obligations; and

**Senior Preferred Obligations** means all outstanding unsecured and unsubordinated obligations of the Bank, present and future, other than Senior Non-Preferred Obligations.

### *Senior Non-Preferred Notes*

**3A.02** This Condition 3A.02 is applicable in relation to Notes specified in the applicable Final Terms as being Senior Non-Preferred Notes on and following the implementation in Sweden of the BRRD Ranking Amendment Directive. In such case, the Notes constitute unsecured and unsubordinated obligations of the Bank and rank *pari passu* without any preference among themselves. In the event of the (a) voluntary or involuntary liquidation (*likvidation*) or (b) bankruptcy (*konkurs*) of the Bank, the rights of the Holders of the Notes to payments on or in respect of the Notes shall rank in accordance with the priority provided to Senior Non-Preferred Obligations in the second sentence of the first sub-paragraph of paragraph 18 of the Swedish Rights of Priority Act as follows:

- (i) junior to (1) any present or future claims of depositors of the Bank and (2) the claims of creditors on or in respect of all Senior Preferred Obligations;
- (ii) at least *pari passu* with the claims of creditors on or in respect of all other Senior Non-Preferred Obligations; and
- (iii) in priority to the claims of all subordinated creditors of the Bank (including Holders of the Subordinated Notes and holders of any outstanding Existing Tier 1 Instruments and Additional Tier 1 Instruments) and payments to holders of all classes of share capital of the Bank in their capacity as such holders.

In these Terms and Conditions:

**BRRD Ranking Amendment Directive** means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12th December, 2017 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy;

**BRRD** means Directive 2014/59/EU of the European Parliament and of the Council of 15th May, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as implemented in Sweden, unless the context otherwise requires, and including as amended by Directive 2019/879/EU of the European Parliament and of the European Council of 20th May, 2019 and as further amended or replaced; and

**Swedish Rights of Priority Act** means the Swedish Rights of Priority Act (1970:979) (*förmånsrättslagen* (1970:979), including as amended or replaced.

### **3B. Status – Subordinated Notes**

This Condition 3B is applicable in relation to Notes specified in the applicable Final Terms as being Subordinated Notes. In such case, the Notes constitute unsecured and subordinated obligations of the Bank and rank *pari passu* without any preference among themselves. In the event of the (a) voluntary or involuntary liquidation (*likvidation*) or (b) bankruptcy (*konkurs*) of the Bank, the rights of the Holders of the Notes to payments on or in respect of the Notes shall rank:

- (i) junior to any present or future claims of (A) depositors of the Bank, (B) other unsecured and unsubordinated creditors of the Bank (including Holders of the Senior Preferred Notes and the Senior Non-Preferred Notes) and (C) in the case of Tier 2 Subordinated Notes, holders of Senior Subordinated Notes (subject as provided in (ii)(B) below) and claims of any other subordinated creditors the claims of which rank, or are expressed to rank, in priority to the Notes;

- (ii) in the case of Senior Subordinated Notes:
  - (A) at least *pari passu* with the claims of all other subordinated creditors of the Bank (including holders of any outstanding Existing Subordinated Notes) other than in respect of claims of holders of any outstanding Tier 2 Instruments (subject as provided in (B) below), Existing Tier 1 Instruments and Additional Tier 1 Instruments, and claims of any other subordinated creditors the claims of which rank, or are expressed to rank, junior to the Notes; and
  - (B) for so long as any of the Existing Subordinated Notes remain outstanding, *pari passu* with, but otherwise at all times in priority to, claims of holders of Tier 2 Instruments;
- (iii) in the case of Tier 2 Subordinated Notes, at least *pari passu* with claims of holders of any other Tier 2 Instruments and claims of any other subordinated creditors the claims of which rank, or are expressed to rank, *pari passu* with the Notes; and
- (iv) in priority to claims of holders of any outstanding Existing Tier 1 Instruments and Additional Tier 1 Instruments, and payments to holders of all classes of share capital of the Bank in their capacity as such holders, and claims of any other subordinated creditors the claims of which rank, or are expressed to rank, junior to the Notes.

In these Terms and Conditions:

**Additional Tier 1 capital** means Additional Tier 1 capital (*Primärkapital*) as defined in Applicable Banking Regulations;

**Additional Tier 1 Instruments** means any debt instruments of the Bank that at the time of issuance comply with the then current requirements under Applicable Banking Regulations in relation to Additional Tier 1 capital;

**Applicable Banking Regulations** means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy or resolution then in effect in Sweden including, without limitation to the generality of the foregoing, CRD V, the BRRD and those regulations, requirements, guidelines and policies relating to capital adequacy or resolution of the SFSA and the Resolution Authority (as defined in Condition 5.15), respectively, in each case to the extent then in effect in Sweden (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Bank or the SEB Group);

**CRD V** means, taken together, the (i) CRD Directive (ii) CRR and (iii) Future Capital Instruments Regulations;

**CRD Directive** means Directive 2013/36/EU of the European Parliament and of the Council of 26th June, 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as implemented in Sweden and including as amended by Directive 2019/878/EU of the European Parliament and of the Council of 20th May, 2019, and as further amended or replaced;

**CRR** means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26th June, 2013 on the prudential requirements for credit institutions and investment firms, as implemented and/or applicable in Sweden and including as amended by Regulation (EU) No. 2019/876 of the European Parliament and of the Council of 20th May, 2019, and as further amended or replaced;

**Existing Subordinated Notes** means those notes specified as such in the applicable Final Terms;

**Existing Tier 1 Instruments** means those instruments specified as such in the applicable Final Terms;

**Future Capital Instruments Regulations** means any Applicable Banking Regulations that come into effect after the Issue Date and which prescribe (alone or in conjunction with any other rules or regulations) the

requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Bank (on a stand-alone or consolidated basis);

**SEB Group** means the Bank together with its consolidated subsidiaries and associated companies;

**SFSA** means the Swedish Financial Supervisory Authority or such other or successor authority in Sweden (or, if the Bank becomes subject to primary bank supervision in a jurisdiction other than Sweden, in such other jurisdiction) having primary bank supervisory authority with respect to the Bank;

**Tier 2 capital** means Tier 2 capital (*Supplementärt kapital*) as defined in Applicable Banking Regulations; and

**Tier 2 Instruments** means any Existing Subordinated Notes, Tier 2 Subordinated Notes or other debt instruments of the Bank that at the time of issuance comply with the then current requirements under Applicable Banking Regulations in relation to Tier 2 capital.

### **3C. Waived Set-Off Rights**

This Condition 3C is applicable in relation to Notes specified in the applicable Final Terms as being Senior Preferred MREL Eligible Notes, Senior Non-Preferred Notes or Subordinated Notes.

No Holder of a Note may at any time exercise or claim any Set-Off Rights against any right, claim or liability of the Bank or that the Bank may have or acquire against such Holder, directly or indirectly and howsoever arising (and including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any kind or any non-contractual obligation, whether or not relating to that Note) and each Holder of any Note shall be deemed to have waived all Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities. Notwithstanding the preceding sentence, if any amount payable by the Bank in respect of, or arising under or in connection with, any Note to any Holder of such Note is discharged by set-off or any netting, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Bank and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Bank and, accordingly, any such discharge shall be deemed not to have taken place.

Nothing in this Condition 3C is intended to provide, or shall be construed as acknowledging, any Set-Off Rights or that any such Set-Off Right is or would be available to any Holder of any Note but for this Condition 3C.

In this Condition 3C, **Set-Off Rights** means any and all rights or claims of any holder of a Note against the Bank for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Note.

### **3D. Status – Covered Bonds**

This Condition 3D is applicable to Notes specified in the applicable Final Terms as being Covered Bonds. The Covered Bonds of each Series constitute unsubordinated obligations of the Bank and rank *pari passu* without any preference among themselves. The Covered Bonds are obligations issued or converted in accordance with the Covered Bond Act and rank *pari passu* with all other obligations of the Bank that have been provided with the same priority as Covered Bonds pursuant to the Swedish Rights of Priority Act. To the extent that claims in relation to the Covered Bonds are not met out of the pool of assets, the residual claims will rank at least *pari passu* with the claims of unsecured and unsubordinated creditors of the Bank (including Senior Preferred Obligations), and in priority to the claims of creditors on or in respect of all Senior Non-Preferred Obligations.

In accordance with the Covered Bond Act, the Bank intends to ensure that the nominal value of the assets in the cover pool (the **Cover Pool**) relating to the Covered Bonds and established in accordance with the Covered Bond Act will at all times exceed the nominal value of claims that may be asserted against the Bank in relation to the Covered Bonds. In addition, the Bank undertakes that if the Rating Condition is not, at any time, met, then, on each Quarter Date (or, if such Quarter Day is not a Business Day, the next following



Business Day) during which the Rating Condition is not met, the Bank will, to the extent necessary at the time, contribute additional assets to the Cover Pool which are eligible to be contributed to the Cover Pool in accordance with the Covered Bond Act to ensure that the aggregate nominal value of the assets in the Cover Pool exceeds the sum of (i) the nominal value of claims that may be asserted against the Bank in relation to the Covered Bonds and (ii) the sum of the Set-Off Amounts in respect of all Relevant Mortgages.

In these Terms and Conditions:

**Business Day** means a day on which commercial banks are open for general business in Stockholm;

**Moody's** means Moody's Investors Service (Nordics) AB;

**Quarter Dates** means, (i) any date on which the long-term senior unsecured obligations on the Bank cease to be rated "A3" or above by Moody's or the equivalent of "A3" by such other internationally recognised rating agency (as described in the definition of Rating Condition) and (ii) each other date that falls three months after the last preceding Quarter Date;

**Rating Condition** means either (i) if the Bank is at the time rated by Moody's, its long-term senior unsecured obligations are rated "A3" or above or (ii) if the Bank is not at the time rated by Moody's, it is rated by at least one other internationally recognised rating agency and its long-term senior unsecured obligations are rated by such agency at least the equivalent of an "A3" rating by Moody's;

**Relevant Mortgages** means those mortgages whose mortgage loans are included in the Cover Pool and who also hold deposits with or have otherwise lent money to the Bank; and

**Set-Off Amount** means, in respect of each Relevant Mortgage, the lesser of (i) all claims of such Relevant Mortgage against the Bank (including deposits) and (ii) the nominal value of mortgage loans owed by such Relevant Mortgage that are included in the Cover Pool.

#### **4. Interest**

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes, Fixed Reset Notes, Floating Rate Notes or Zero Coupon Notes.

##### **4A. Interest – Fixed Rate**

This Condition 4A applies to Fixed Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4A for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

If the Notes are specified in the applicable Final Terms as being Fixed Rate Notes, the Notes shall bear interest on their outstanding nominal amount from and including the Interest Commencement Date at the rate or rates per annum equal to the Rate(s) of Interest. Such interest will be payable in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date. For so long as any of the Fixed Rate Notes are represented by a Global Note, interest will be calculated on the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note. In respect of each Fixed Rate Note in definitive form, interest will be calculated on its outstanding nominal amount.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by (i) a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (B) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the outstanding aggregate principal amount of Fixed Rate Notes, which are Registered Notes in definitive form or the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

In this Condition 4A, **Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4A:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) 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 (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (b) in the case of Notes where the number of days in the **Accrual Period** is longer than the Determination Period during which the Accrual Periods 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 (A) the number of days in such Determination Period and (B) the number of Determination Dates that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates that would occur in one calendar year;
- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a 360-day year consisting of 12 months of 30 days each) divided by 360; and
- (iii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365.

In these Terms and Conditions:

**Determination Period** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final 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); and

**sub-unit** means with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

#### **4B. Interest – Fixed Reset**

This Condition 4B applies to Fixed Reset Notes only. The applicable Final Terms contains provisions applicable to the determination of the resetting of the Rate of Interest for Fixed Reset Notes and must be read in conjunction with this Condition 4B for full information on the manner in which interest is calculated on Fixed Reset Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Reset Date, any Subsequent Reset Date(s), the Reset Margin, the Specified Currency, the Relevant Screen Page, the Floating Leg Reference Rate, the Floating Leg Screen Page and the Initial Mid-Swap Rate.

**4B.01** If the Notes are specified in the applicable Final Terms as being Fixed Reset Notes, the Notes shall bear interest:

- (i) from (and including) the Interest Commencement Date to (but excluding) the Reset Date at the rate per annum equal to the Initial Interest Rate; and
- (ii) from (and including) the Reset Date to (but excluding) either (a) the Maturity Date or (b) if applicable, the first Subsequent Reset Date and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) (each period in (a) and (b) being a **Reset Period**), in each case at the rate per annum equal to the relevant Reset Rate,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a **Rate of Interest**) payable, in each case, in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date or, if none, the redemption, or purchase and cancellation, of the Notes.

The provisions of this Condition 4B shall apply, as applicable, in respect of any determination by the Fiscal Agent of the Rate of Interest for a Reset Period in accordance with this Condition 4B as if the Fixed Reset Notes were Floating Rate Notes. The Rate of Interest for each Reset Period shall otherwise be determined by the Fiscal Agent on the relevant Reset Determination Date in accordance with the provisions of this Condition 4B. Once the Rate of Interest is determined for a Reset Period, the provisions of Condition 4B shall apply to Fixed Reset Notes, as applicable, as if the Fixed Reset Notes were Fixed Rate Notes.

In these Terms and Conditions:

**Mid-Swap Rate** means, in relation to the Reset Date or relevant Subsequent Reset Date, as the case may be, and the Reset Period commencing on the Reset Date or that Subsequent Reset Date, the rate for the Reset Date or that Subsequent Reset Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency maturing on the last day of such Reset Period, expressed as a percentage, which appears on the Relevant Screen Page as of approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date. If such rate does not appear on the Relevant Screen Page, the Mid-Swap Rate for the Reset Date or relevant Subsequent Reset Date, as the case may be, will be the Reset Reference Bank Rate for the Reset Period;

**Reference Banks** means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Bank;

**Relevant Screen Page** means the display page on the relevant service as specified in the applicable Final Terms or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Fiscal Agent, for the purpose of displaying equivalent or comparable rates to the relevant swap rates for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period;

**Representative Amount** means an amount that is representative for a single transaction in the relevant market at the relevant time;

**Reset Determination Date** means the second Business Day immediately preceding the Reset Date or relevant Subsequent Reset Date, as the case may be;

**Reset Period Mid-Swap Rate Quotations** means the bid and offered rates for the semi-annual or annual, as applicable, fixed leg (calculated on the day count basis customary for fixed rate payments in the Specified Currency), of a fixed-for-floating interest rate swap transaction in the Specified Currency with a term equal to the Reset Period commencing on the Reset Date or relevant Subsequent Reset Date, as the case may be, and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg (in each case calculated on the day count basis customary for floating rate payments in the Specified Currency), is equivalent to the Rate of Interest that would apply in respect of the Notes if (a) Screen Rate Determination was specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, (b) the Reference Rate was the Floating Leg Reference Rate and (c) the Relevant Screen Page was the Floating Leg Screen Page;

**Reset Reference Bank Rate** means, in relation to the Reset Date or relevant Subsequent Reset Date, as the case may be, and the Reset Period commencing on the Reset Date or that Subsequent Reset Date, the percentage determined on the basis of the arithmetic mean of the Reset Period Mid-Swap Rate Quotations provided by the Reference Banks at approximately 11.00 in the principal financial centre of the Specified Currency on the Reset Determination Date. The Fiscal Agent will request the principal office of each of the Reference Banks to provide a quotation of its rate. If at least three quotations are provided, the rate for the Reset Date or relevant Subsequent Reset Date, as the case may be, will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Mid-Swap Rate will be the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the Initial Mid-Swap Rate; and

**Reset Rate** means the sum of the Reset Margin and the Mid-Swap Rate for the relevant Reset Period.

#### **4C. Interest – Floating Rate**

This Condition 4C applies to Floating Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 4C for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Final Terms will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Fiscal Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

**4C.01** If the Notes are specified in the applicable Final Terms as being Floating Rate Notes, the Notes shall bear interest from and including the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period 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.

Such interest will be payable in respect of each **Interest Period** (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date). For so long as any of the Floating Rate Notes are represented by a Global Note, interest will be calculated on the aggregate outstanding nominal amount of the Notes represented by such Global Note. In respect of each Floating Rate Note in definitive form, interest will be calculated on its outstanding nominal amount.

If a Business Day Convention is specified in the applicable Final Terms and (a) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (b) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with paragraph (ii) above, the Floating Rate Convention, such Interest Payment Date (I) in the case of (a) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (II) in the case of (b) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment 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 shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, **Business Day** means:

- (A) 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 any Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (B) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open; and
- (C) either (a) in relation to 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 centre of the country of the relevant Specified Currency and which if the Specified Currency is Australian dollars, New Zealand dollars or Renminbi shall be Sydney, Auckland

and Hong Kong, respectively) or (b) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

**4C.02** The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) *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 specified in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent or the Calculation Agent, as applicable, under an interest rate swap transaction if the Fiscal Agent or the Calculation Agent, as applicable, were acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the **ISDA Definitions**) and under which:

- (a) the Floating Rate Option is as specified in the applicable Final Terms;
- (b) the Designated Maturity is a period specified in the applicable Final Terms; and
- (c) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this sub-paragraph (i), **Floating Rate**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(ii) *Screen Rate Determination for Floating Rate Notes not referencing Compounded Daily SONIA*

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, subject as provided below, be either:

- (a) the offered quotation; or
- (b) 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 Reference Rate (being either LIBOR or EURIBOR or STIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time (as defined below) on the Interest Determination Date in question plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

In the event that the Relevant Screen Page is not available or if, in the case of (a) above, no such offered quotation appears or, in the case of (b) above, fewer than three such offered quotations appear, in each case as at the Specified Time, the Fiscal Agent or the Calculation Agent, as

applicable, shall request each of the Reference Banks (as defined below) to provide the Fiscal Agent or the Calculation Agent, as applicable, with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Fiscal Agent or the Calculation Agent, as applicable, with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margins (if any), all as determined by the Fiscal Agent or the Calculation Agent, as applicable.

If on any Interest Determination Date one only or none of the Reference Banks provides the Fiscal Agent or the Calculation Agent, as applicable, with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Fiscal Agent or the Calculation Agent, as applicable, determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Fiscal Agent or the Calculation Agent, as applicable, by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Fiscal Agent or the Calculation Agent, as applicable, with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Bank suitable for the purpose) informs the Fiscal Agent or the Calculation Agent, as applicable, it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro Zone inter-bank market (if the Reference Rate is EURIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) 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).

In this Condition 4C.02(ii):

**Reference Banks** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in the case of a determination of STIBOR, the principal Stockholm office of four major banks in the Stockholm inter-bank market, in each case selected by the Fiscal Agent or the Calculation Agent, as applicable,; and

**Specified Time** means 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR, or Stockholm time, in the case of STIBOR).

(iii) *Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SONIA*

*Non-Index Determination*

- (A) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified as being "Compounded Daily SONIA", the Rate of Interest for each Interest Period will, subject as provided below and save where "Index Determination" is specified as being applicable, be Compounded Daily SONIA with respect to such Interest Period plus or minus the Margin (if any) as specified in the applicable Final Terms, all as determined and calculated by the Fiscal Agent or the Calculation Agent, as applicable.

**Compounded Daily SONIA** means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Period (with the SONIA reference rate as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

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

where:

**d** means the number of calendar days in (where in the applicable Final Terms "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) the relevant SONIA Observation Period;

**d<sub>o</sub>** means the number of London Banking Days in (where in the applicable Final Terms "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) the relevant SONIA Observation Period;

**i** means a series of whole numbers from one to *d<sub>o</sub>*, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in (where in the applicable Final Terms "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) the SONIA Observation Period;

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

**n<sub>i</sub>**, for any London Banking Day *i*, means the number of calendar days from (and including) such London Banking Day *i* up to (but excluding) the following London Banking Day;

**Observation Look-Back Period** is the period of London Banking Days specified in the applicable Final Terms;

**p** means the number of London Banking Days included in the Observation Look-Back Period;

**SONIA Observation Period** means the period from (and including) the date falling *p* London Banking Days prior to the first day of the relevant Interest Period to (but excluding) the date falling *p* London Banking Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which by its definition and the operation of the relevant provisions is excluded from such Interest Period);

the **SONIA reference rate**, in respect of any London Banking Day, is the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking Day as provided by the



administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

**SONIA<sub>i</sub>-pLBD** means:

- (I) where in the applicable Final Terms "Lag" is specified as the Observation Method, in respect of any London Banking Day *i* falling in the relevant Interest Period, the SONIA reference rate for the London Banking Day falling *p* London Banking Days prior to such day; or
  - (II) where in the applicable Final Terms "Shift" is specified as the Observation Method, SONIA<sub>i</sub>, where SONIA<sub>i</sub> is, in respect of any London Banking Day *i* falling in the relevant SONIA Observation Period, the SONIA reference rate for such day.
- (1) If, in respect of any London Banking Day in the relevant SONIA Observation Period, the applicable SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then (unless the Principal Paying Agent or the Calculation Agent, as applicable, has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to Condition 4D below, if applicable) the SONIA reference rate in respect of such London Banking Day shall be: (i) the Bank of England's Bank Rate (the "Bank Rate") prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads).
  - (2) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be:
    - (a) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or
    - (b) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period).
  - (3) If the Notes become due and payable in accordance with Condition 6, the final Rate of Interest shall be calculated for the Interest Period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall

continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition 4G.

*Index Determination*

- (B) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified as being "Compounded Daily SONIA", and "Index Determination" is specified as being applicable, the Rate of Interest for each Interest Period will be the Compounded Daily SONIA rate for such Interest Period as determined by reference to the screen rate or index for Compounded Daily SONIA administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the relevant Interest Determination Date, as further specified in the applicable Final Terms (the **SONIA Compounded Index**) and in accordance with the following formula, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards, plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined and calculated by the Fiscal Agent or the Calculation Agent, as applicable.

**Compounded Daily SONIA rate =**

$$\left( \frac{\text{SONIA Compounded Index}_y}{\text{SONIA Compounded Index}_x} - 1 \right) \times \frac{365}{d}$$

where:

**x** denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of the relevant Interest Period;

**y** denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the Interest Payment Date for such Interest Period, or such other date as when the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

**d** is the number of calendar days from (and including) the day in relation to which **x** is determined to (but excluding) the day in relation to which **y** is determined; and

**Relevant Number** is as specified in the applicable Final Terms.

If the SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the relevant time on the relevant Interest Determination Date as specified in the applicable Final Terms, the Compounded Daily SONIA rate for the applicable Interest Period shall be "Compounded Daily SONIA" as calculated on such Interest Determination Date, determined in accordance with Condition 4C.02(iii)(A) above as if Index Determination is not specified as being applicable in the applicable Final Terms. For these purposes, the Relevant Number specified in the applicable Final Terms shall be the "Observation Look-Back Period" and the "Observation Method" shall be deemed to be "Shift" as if Index Determination is not specified as being applicable and these alternative elections had been made.

**4C.03** If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 4C.02 is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

**4C.04** If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 4C.02 is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

**4C.05** The Fiscal Agent or the Calculation Agent, as applicable, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Fiscal Agent or the Calculation Agent, as applicable, will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Notes represented by such Global Note or (B) such Registered Notes; or
- (B) in the case of Floating Rate Notes, which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

In this Condition 4C.05, **Day Count Fraction** means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, 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;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest 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:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest 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:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest 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:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

**4C.06** Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Fiscal Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Fiscal Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

**Designated Maturity** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

**4C.07** The Fiscal Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Bank and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

**4C.08** All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4C or Conditions 4D or 8D, whether by the Fiscal Agent or, if applicable, the Calculation Agent or the Benchmark Calculation Agent, as the case may be, and in the case of Conditions 4D or 8D, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Bank, the Fiscal Agent or, if applicable, the Calculation Agent or the Benchmark Calculation Agent, as the case may be, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Bank, the Noteholders, the Receiptholders or the Couponholders shall attach to the Fiscal Agent or, if applicable, the Calculation Agent or the Benchmark Calculation Agent, as the case may be, (in the case of Conditions 4D or 8D) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions. The Calculation Agent or the Benchmark Calculation Agent, as the case may be (if applicable and in the case of Conditions 4D or 8D) is acting solely as an agent of the Bank (if it is an entity other than the Bank), and the Calculation Agent or the Benchmark Calculation Agent, as the case may be (acting in such capacity) does not assume any obligation to, or relationship of agency or trust with, nor have any liability whatsoever to, any Noteholders, Receiptholders or Couponholders.

#### **4D. Benchmark Discontinuation**

Notwithstanding the provisions in Conditions 4B or 4C, as the case may be, above, and except where “USD LIBOR Benchmark Replacement” is specified as being applicable in the applicable Final Terms, if the Bank or the Benchmark Calculation Agent (in consultation with the Bank, where the Benchmark Calculation Agent is a party other than the Bank, or, if the Benchmark Calculation Agent deems it appropriate, an Independent Adviser) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this Condition 4D shall apply.

##### ***Successor Rate or Alternative Rate***

**4D.01** If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4D.02) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4D); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4D.02) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4D).

##### **4D.02 *Adjustment Spread***

If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Benchmark Calculation Agent shall, if necessary, calculate such Adjustment Spread and apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

##### **4D.03 *Benchmark Amendments***

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4D and the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion (A) that amendments to these Terms and Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Bank and the Fiscal Agent or the Benchmark Calculation Agent, as applicable, shall, subject to giving notice thereof in accordance with Condition 4D.05, without any requirement for the consent or approval of Noteholders, Receiptholders or Couponholders, agree to the necessary modifications to these Terms and Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such modifications in accordance with this Condition 4D.03, the Bank shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading. Notwithstanding any other provision of this Condition 4D, no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor will any other amendment to the terms and conditions of any Series of Notes be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Bank, the same could reasonably be expected to prejudice the treatment of any relevant Series of Subordinated Notes as Tier 2 capital of the Bank.

#### **4D.04** *Benchmark Calculation Agent and any Independent Adviser*

In the event the Benchmark Calculation Agent determines it appropriate, in its sole discretion, to consult with an Independent Adviser in connection with any determination to be made by the Benchmark Calculation Agent pursuant to this Condition 4D, the Bank shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this Condition 4D shall act in good faith in a commercially reasonable manner but shall have no relationship of agency or trust with the Noteholders and (in the absence of fraud) shall have no liability whatsoever to the Benchmark Calculation Agent or the Noteholders, the Receipholders or the Couponholders for any determination made by it or for any advice given to the Benchmark Calculation Agent in connection with any determination made by the Benchmark Calculation Agent pursuant to this Condition 4D or otherwise in connection with the Notes.

If the Benchmark Calculation Agent consults with an Independent Adviser as to the occurrence of any Benchmark Event and/or whether there is a Successor Rate or an Alternative Rate and/or any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud) the Benchmark Calculation Agent shall have no liability whatsoever to any Noteholders, Receipholders or Couponholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination or otherwise in connection with the Notes.

#### **4D.05** *Notice*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4D will be notified promptly by the Bank to the Paying Agents and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

#### **4D.06** *Survival of Original Reference Rate Provisions*

Without prejudice to the obligations of the Benchmark Calculation Agent and the Bank under this Condition 4D, the Original Reference Rate and the fallback provisions provided for in Conditions 4B, 4C.02(ii), the Agency Agreement and the applicable Final Terms, as the case may be, will continue to apply unless and until the Benchmark Calculation Agent has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 4D.

#### **4D.07** *Definitions*

In this Condition 4D:

**Adjustment Spread** means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is replaced with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Rate if no such spread, formula or methodology is formally recommended or provided as an option by any Relevant Nominating Body or in the case of an Alternative Rate, is in customary market usage in the international debt capital market for

transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate,

or if no such recommendation or option has been made (or made available), or the Benchmark Calculation Agent, acting in good faith and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines there is no such spread, formula or methodology in customary market usage, the spread, formula or methodology which the Benchmark Calculation Agent, following consultation with an Independent Adviser, and acting in good faith and a commercially reasonable manner, determines in its sole discretion:

- (iii) is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (iv) if the Benchmark Calculation Agent so determines that no such industry standard is recognised or acknowledged, to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be),

and in either such case, which the Benchmark Calculation Agent, following consultation with an Independent Adviser and acting in good faith and in a commercially reasonable manner, determines is required to be so applied;

**Alternative Rate** means an alternative benchmark or screen rate which the Benchmark Calculation Agent determines in accordance with this Condition 4D is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

**Benchmark Calculation Agent** means the Calculation Agent in respect of the Notes unless (i) where the Calculation Agent is a party other than the Bank, that party fails to perform or notifies the Bank that it is unable to perform any of the duties or obligations of the Benchmark Calculation Agent under this Condition 4D or (ii) where the Calculation Agent is the Bank, the Bank determines in its sole discretion to appoint another party as Benchmark Calculation Agent, in which case for each of (i) and (ii) above the Benchmark Calculation Agent shall be such other party as is appointed by the Bank to act as Benchmark Calculation Agent, which party may, in the case of (i) above, include the Bank or an affiliate of the Bank and shall be a leading bank or financial institution, or another party of recognised standing and with appropriate expertise to make the determinations and/or calculations to be made by the Benchmark Calculation Agent;

**Benchmark Event** means:

- (i) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;
- (ii) the later of (a) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (b) the date falling six months prior to such specified date;
- (iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued, is prohibited from being used or is no longer representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, restrictions or adverse consequences are to apply from a specified date after the making of any



public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; or

- (iv) it has or will prior to the next Interest Determination Date or Reset Determination Date, as applicable, become unlawful for the Calculation Agent, any Paying Agent or the Bank to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under Regulation (EU) No. 2016/1011, if applicable).

**Independent Adviser** means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate expertise appointed by the Bank at its own expense;

**Original Reference Rate** means the benchmark or screen rate (as applicable) originally specified in the applicable Final Terms for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Notes (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term “Original Reference Rate” shall include any such Successor Rate or Alternative Rate);

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

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

**Successor Rate** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

#### **4E. USD LIBOR Benchmark Transition Event**

##### **4E.01 USD LIBOR Benchmark Replacement**

Notwithstanding the provisions in Conditions 4C or 4D above, where the Reference Rate is specified as being USD LIBOR and “USD LIBOR Benchmark Replacement” is specified as applicable, if the Bank determines that a USD LIBOR Benchmark Transition Event and its related USD LIBOR Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.

##### **4E.02 USD LIBOR Benchmark Replacement Conforming Changes**

In connection with the implementation of a Benchmark Replacement, the Bank will have the right to make Benchmark Replacement Conforming Changes from time to time.

If the Bank exercises its right to make any Benchmark Replacement Conforming Changes, the Bank and the Fiscal Agent shall, subject to giving notice thereof in accordance with Condition 4E.04, without any requirement for the consent or approval of Noteholders, agree to the necessary modifications to these Terms

and Conditions and/or the Agency Agreement to give effect to such Benchmark Replacement Conforming Changes with effect from the date specified in such notice.

In connection with any Benchmark Replacement Conforming Changes in accordance with this Condition 4E.02, the Bank shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

#### **4E.03** *Decisions and Determinations*

Any determination, decision or election that may be made by the Bank pursuant to this Condition 4E, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (including with respect to any Benchmark Replacement Conforming Change), will be conclusive and binding on all parties absent manifest error and subject as provided in this Condition 4E, may be made in the Bank's sole discretion and, subject as provided in this Condition 4E, shall become effective without consent from any other party.

#### **4E.04** *Notice*

Any Benchmark Replacement and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 4E will be notified promptly by the Bank to the Paying Agents and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Replacement and the Benchmark Replacement Conforming Changes, if any.

#### **4E.05** *Survival of the Applicable Benchmark and Related Provisions*

Without prejudice to the provisions of this Condition 4E, the Reference Rate and the fallback provisions provided for in Condition 4C or, where a USD LIBOR Benchmark Transition Event and its related USD LIBOR Benchmark Replacement Date have occurred with respect to the Reference Rate or the then current Benchmark, the applicable Benchmark Replacement and any related Benchmark Replacement Conforming Changes will continue to apply unless and until the Bank has determined the Benchmark Replacement, and any Benchmark Conforming Changes (or any further Benchmark Replacement and Benchmark Conforming Changes) in accordance with the relevant provisions of this Condition 4E.

#### **4E.06** *Definitions*

In this Condition 4E:

**Benchmark** means, initially, the Reference Rate; provided that if a USD LIBOR Benchmark Transition Event and its related USD LIBOR Benchmark Replacement Date have occurred with respect to the Reference Rate or the then current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

**Benchmark Replacement** means the Interpolated Benchmark; provided that if the Bank cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Bank as of the Benchmark Replacement Date:

- (i) the sum of: (a) Term SOFR and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) Compounded SOFR and (b) the Benchmark Replacement Adjustment;
- (iii) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- (iv) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment;

- (v) the sum of: (a) the alternate rate of interest that has been selected by the Bank as the replacement for the then current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then current Benchmark for U.S. dollar denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

**Benchmark Replacement Adjustment** means the first alternative set forth in the order below that can be determined by the Bank as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Bank giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate notes at such time;

**Benchmark Replacement Conforming Changes** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of Interest Period, timing and frequency of determining the Rate of Interest and making payments of interest and other administrative matters) that the Bank decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Bank decides that adoption of any portion of such market practice is not administratively feasible or if the Bank determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Bank determines is reasonably necessary).

**USD LIBOR Benchmark Replacement Date** means the earliest to occur of the following events with respect to the then current Benchmark:

- (i) in the case of sub-paragraph (i) or (ii) of the definition of USD LIBOR Benchmark Transition Event, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of sub-paragraph (iii) of the definition of USD LIBOR Benchmark Transition Event, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the Benchmark is no longer representative as referenced in such public statement or publication of information.

If the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**USD LIBOR Benchmark Transition Event** means the occurrence of one or more of the following events with respect to the then current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity

with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative or will no longer be representative;

**Compounded SOFR** means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the Interest Amount payable prior to the end of each Interest Period) being established by the Bank in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that:
- (ii) if, and to the extent that, the Bank determines that Compounded SOFR cannot be determined in accordance with sub-paragraph (i) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Bank giving due consideration to any industry-accepted market practice for U.S. dollar denominated floating rate notes at such time;

**Corresponding Tenor** with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then current Benchmark;

**Federal Reserve Bank of New York's Website** means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

**Interpolated Benchmark** with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (2) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor.

**ISDA Fallback Adjustment** means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

**ISDA Fallback Rate** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

**Reference Time** with respect to any determination of the Benchmark means (1) if the Benchmark is the Reference Rate, the Specified Time on the Interest Determination Date in question, and (2) if the Benchmark is not the Reference Rate, the time determined by the Bank in accordance with the Benchmark Replacement Conforming Changes.

**Relevant Governmental Body** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

**SOFR** with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website;

**Term SOFR** means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

**Unadjusted Benchmark Replacement** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

**4F. Interest – Interest Rate and Payments from the Maturity Date in the event of extension of maturity of a Series of Notes**

**4F.01** If “Extended Maturity” is specified as applicable in the applicable Final Terms and the maturity of the Notes is extended beyond the Maturity Date in accordance with Condition 5.18, the Notes shall bear interest from (and including) the Maturity Date to (but excluding) the earlier of the relevant Interest Payment Date after the Maturity Date on which the Notes are redeemed in full or the Extended Maturity Date, subject to Condition 4G. In that event, interest shall be payable on those Notes at the rate determined in accordance with Condition 4F.02) on the nominal amount outstanding of the Notes in arrear on (i) the Interest Payment Date in each month after the Maturity Date, or (ii) the Extended Maturity Date, as applicable, in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date or the Extended Maturity Date, respectively. The final Interest Payment Date shall fall no later than the Extended Maturity Date.

**4F.02** If “Extended Maturity” is specified as applicable in the applicable Final Terms and the maturity of the Notes is extended beyond the Maturity Date in accordance with Condition 5.18, the rate of interest payable from time to time in respect of the nominal amount outstanding of the Notes on each Interest Payment Date after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date or the Extended Maturity Date, as applicable, will be as specified in the applicable Final Terms and, in the case of Floating Rate Notes, determined by the Fiscal Agent or the Calculation Agent, as applicable, two Business Days after the Maturity Date in respect of the first such Interest Period and thereafter as specified in the applicable Final Terms.

**4F.03** In the case of Notes which are Zero Coupon Notes up to (and including) the Maturity Date and for which an Extended Maturity Date is specified in the applicable Final Terms, for the purposes of this Condition 4F, the nominal amount outstanding shall be the total amount otherwise payable by the Bank on the Maturity Date less any payments made by the Bank in respect of such amount in accordance with these Terms and Conditions.

**4F.04** This Condition 4F shall only apply to Notes to which an Extended Maturity Date is specified in the applicable Final Terms and if the Bank fails to redeem those Notes (in full) on the Maturity Date (or within two Business Days thereafter) and the maturity of those Notes is automatically extended up to the Extended Maturity Date in accordance with Condition 5.18.

**4G. Interest – Continued Accrual**

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

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent or the Calculation Agent, as applicable, and notice to that effect has been given to the Noteholders in accordance with Condition 13.

**5. Redemption and Purchase**

***Redemption at Maturity***

**5.01** Unless previously redeemed, or purchased and cancelled, each Note shall be redeemed by the Bank at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date (or, if applicable, the Extended Maturity Date).

### ***Early Redemption upon a Tax Event***

**5.02** Upon the occurrence of a Tax Event, the Bank may, upon the expiry of the appropriate notice, redeem all (but not some only) of the Notes in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note). Each Note so redeemed will be redeemed at the Early Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

In these Terms and Conditions, **Tax Event**, means if as a result of any change in, amendment to or clarification of any applicable law (including any change in, amendment to or clarification of the official position or interpretation of such law that differs from the theretofore generally accepted position or interpretation, irrespective of the manner in which such amendment, clarification or change is made known), which change, amendment or clarification occurs after the Issue Date, the Bank determines that (a) it would on the occasion of the next payment in respect of the Notes, be required to pay additional amounts in accordance with Condition 7 or (b) to the extent (prior to the relevant change, amendment or clarification) the Issuer was entitled to claim a deduction in respect of the Notes in computing its taxation liabilities, it would not be entitled to claim a deduction in respect of its taxation liabilities in the Kingdom of Sweden in respect of any payment of interest to be made on the next Interest Payment Date or the value of such deduction to the Bank would be materially reduced.

### ***Optional Early Redemption (Issuer Call)***

**5.03** If Issuer Call is specified as applicable in the applicable Final Terms, then the Bank may, upon the expiry of the appropriate notice, redeem all (but not, unless and to the extent that the applicable Final Terms specifies otherwise, some only), of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date.

### ***Redemption at the Option of the Issuer (Issuer Maturity Call)***

**5.04** If Issuer Maturity Call is specified as applicable in the applicable Final Terms, then the Bank may, upon the expiry of the appropriate notice, redeem all (but not some only) of the Notes then outstanding at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date of redemption.

### ***Notice***

**5.05** The appropriate notice referred to in Conditions 5.02, 5.03, 5.04 and 5.05 is a notice given by the Bank to the Fiscal Agent, the Registrar (in the case of Registered Notes) and the Holders of the Notes and the relative Coupons (if any) in accordance with Condition 13, which notice shall be signed by two duly authorised officers of the Bank and shall specify:

- (i) the Series of Notes subject to redemption;
- (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate nominal amount of the Notes which are to be redeemed; and
- (iii) the date fixed for such redemption, which shall be a Business Day which is not more than 60 days and not less than 30 days (or such minimum or maximum periods of notice as may be specified in the applicable Final Terms) after the date on which such notice is validly given and which is (in the case of Floating Rate Notes, other than in respect of an Issuer Maturity Call) an Interest Payment Date.

Any such notice shall be irrevocable, and the delivery thereof shall oblige the Bank to make the redemption therein specified.

### ***Partial Redemption***

**5.06** If the Notes are to be redeemed in part only on any date in accordance with Condition 5.04:

- (i) such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than a Higher Redemption Amount;
- (ii) in the case of definitive Notes, the Notes to be redeemed shall be drawn by lot in such European city as the Fiscal Agent may specify, or identified in such other manner or in such other place as the Fiscal Agent may approve and deem appropriate and fair, subject always to compliance with all applicable laws and the requirements of any stock exchange, listing authority and/or quotation system on which the Notes may be listed, traded and/or quoted; and
- (iii) in the case of Notes represented by one or more Global Notes, the Notes shall be redeemed in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or DTC.

### ***Optional Early Redemption (Investor Put)***

**5.07** If the Notes are Senior Preferred Notes (other than Senior Preferred MREL Eligible Notes) and Investor Put is specified as applicable in the applicable Final Terms, then upon the holder of any such Note giving to the Bank in accordance with Condition 13 not less than 15 nor more than 30 days' notice the Bank will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 5.07 in any multiple of their lowest Specified Denomination.

If a Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of such Note the Holder of such Note must deliver the Note at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 5.07 and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2 and the Put Notice must be accompanied by the relevant Note or evidence satisfactory to the Paying Agent concerned (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) that such Note will, following delivery of the Put Notice, be held to its order or under its control. If such Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of such Note the Holder of the Note, must within the notice period, give notice to the Paying Agent (in the case of Bearer Notes) and the Registrar (in the case of Registered Notes) of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Paying Agent or, as the case may be, the Registrar, by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

Any Put Notice given by a Holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Holder, at its option, may elect by notice to the Bank to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 6.

### ***Early Redemption Amounts***

**5.08** For the purpose of Condition 5.02 above and Condition 6:

- (a) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount specified in the applicable Final Terms; and
- (b) each Zero Coupon Note will be redeemed, at its Early Redemption Amount calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

**y** is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

### ***Instalments***

**5.09** Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 5.09.

### ***Purchase of Notes***

**5.10** The Bank may at any time purchase Notes in the open market or otherwise and at any price provided that all (if any) unmaturing Receipts, Coupons and Talons appertaining thereto are purchased therewith.

### ***Cancellation of Redeemed and Purchased Notes***

**5.11** All unmaturing Notes redeemed or purchased in accordance with this Condition 5 and all unmaturing Receipts, Coupons and Talons attached thereto or surrendered or purchased therewith will be cancelled and may not be reissued or resold. References in this Condition 5 to the purchase of Notes by the Bank shall not include the purchase of Notes in the ordinary course of business of dealing in securities or the purchase of Notes otherwise than as beneficial owner.

### ***Late payment on Zero Coupon Notes***

**5.12** If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 5.01, 5.02, 5.04 or 5.08 above or upon its becoming due and repayable as provided in Condition 6 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 5.09(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and



- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

***Redemption upon a Capital Event: Tier 2 Subordinated Notes***

**5.13** If the Notes are Tier 2 Subordinated Notes, then upon the occurrence of a Capital Event, the Bank may, at its option, having given not less than 30 days' nor more than 60 days' notice to the Fiscal Agent, the Registrar (in the case of Registered Notes) and the Holders of the Subordinated Notes and the relative Coupons (if any) in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for such redemption), at any time redeem all (but not some only) of the Tier 2 Subordinated Notes then outstanding at the Early Redemption Amount specified in the applicable Final Terms, together with interest accrued to (but excluding) the date of redemption.

In these Terms and Conditions, a **Capital Event** means the determination by the Bank after consultation with the SFSA that as a result of a change (or any pending change that the SFSA considers sufficiently certain) in Swedish law or Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date, the aggregate outstanding nominal amount of the Subordinated Notes is (or is likely to be) fully or partially excluded from inclusion in the Tier 2 capital of the Bank.

***Redemption upon an Eligible Liabilities Event: Senior Non-Preferred Notes***

**5.14** If the Notes are Senior Non-Preferred Notes, then upon the occurrence of an Eligible Liabilities Event, the Bank may, at its option, having given not less than 30 days' nor more than 60 days' notice to the Fiscal Agent, the Registrar (in the case of Registered Notes) and the Holders of the Notes and the relative Coupons (if any) in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for such redemption), at any time redeem all (but not some only) of the Notes then outstanding at the Early Redemption Amount specified in the applicable Final Terms, together with interest accrued to (but excluding) the date of redemption.

In these Terms and Conditions:

An **Eligible Liabilities Event** means the determination by the Bank after consultation with the Resolution Authority that as a result of a change (or any pending change that the Resolution Authority considers sufficiently certain) in Swedish law or Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date, the aggregate outstanding nominal amount of the Senior Non-Preferred Notes is (or is likely to be) fully or partially excluded from eligibility for inclusion in any amount of eligible liabilities of the Bank (the **Eligible Liabilities Amount**) for the purposes of Article 45 of the BRRD or Applicable Banking Regulations, provided that an Eligible Liabilities Event shall not occur where such ineligibility for the inclusion of such Notes in the Eligible Liabilities Amount is due to the remaining maturity of those Notes being less than any period prescribed by any applicable eligibility criteria under Applicable Banking Regulations; and

**Resolution Authority** means the Swedish National Debt Office or such other or successor authority designated in Sweden in accordance with Article 3 of the BRRD or Applicable Banking Regulations (or, if the Bank becomes subject to resolution pursuant to the BRRD in a jurisdiction other than Sweden, in such other jurisdiction).

***Relevant Regulator approval***

**5.15** Any early redemption or purchase pursuant to this Condition 5 of Senior Preferred MREL Eligible Notes, Senior Non-Preferred Notes or Subordinated Notes is subject to the prior approval of the SFSA or the Resolution Authority (where such prior approval is required pursuant to Applicable Banking Regulations), where such prior approval is required pursuant to Applicable Banking Regulations.

### ***Substitution or Variation***

**5.16** If the Notes are Tier 2 Subordinated Notes or Senior Non-Preferred Notes and, at any time (i) a Tax Event or (ii)(a) in the case of Tier 2 Subordinated Notes, a Capital Event or (b) in the case of Senior Non-Preferred Notes, an Eligible Liabilities Event, occurs, or to ensure the effectiveness or enforceability of Condition 16.03, the Bank may, to the extent permitted at any time by Applicable Banking Regulations and subject to the prior approval of the SFSA, in the case of Tier 2 Subordinated Notes, or the Resolution Authority, in the case of Senior Non-Preferred Notes (without in each case any requirement for the consent or approval of the Holders of the Notes) and having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with Condition 13, the Holders of the Notes (which notice shall be irrevocable), at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes accordingly, provided that they remain or, as appropriate, so that they become, Qualifying Notes.

In these Terms and Conditions:

**Qualifying Notes** means notes issued directly or indirectly by the Bank that:

- (i) have terms not materially less favourable to a Holder of the Notes (unless any such less favourable terms are solely attributable to ensuring the effectiveness and enforceability of Condition 16.03 (including the governing law of Condition 16.03)), as reasonably determined by the Bank, than the terms of the Notes, provided that they shall (1) include a ranking at least equal to that of the Notes, (2) have the same Rate of Interest and Interest Payment Dates as those from time to time applying to the Notes, (3) have the same redemption rights as the Notes, (4) comply with the then current requirements of Applicable Banking Regulations in relation to eligibility for inclusion in the Tier 2 capital of the Bank, in the case of Tier 2 Subordinated Notes, and the Eligible Liabilities Amount, in the case of Senior Non-Preferred Notes, and (5) preserve any existing rights under the Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; and
- (ii) are listed on a recognised stock exchange if the Notes were so listed immediately prior to such substitution or variation.

### ***Extension of Maturity up to Extended Maturity Date***

**5.17** An Extended Maturity Date may be specified in the applicable Final Terms as applying to a Series of Notes.

If "Extended Maturity" is specified as applicable in the applicable Final Terms and the Bank fails to redeem all of the Notes in full on the Maturity Date or within two Business Days thereafter, the maturity of the Notes and the date on which the Notes will be due and repayable for the purposes of these Terms and Conditions will be automatically extended up to but no later than the Extended Maturity Date, subject as otherwise provided in the applicable Final Terms. In that event, the Bank may redeem all or any part of the nominal amount outstanding of the Notes on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date or as otherwise provided in the applicable Final Terms.

The Bank shall give notice to the Noteholders (in accordance with Condition 13) and the Paying Agents of (a) any decision to so extend the maturity of the Notes, in whole or in part, as soon as practicable after any such decision is made and (b) its intention to redeem all or any of the nominal amount outstanding of the Notes in full at least three Business Days, in the case of notice to the Noteholders and five Business Days, in the case of notice to the Paying Agents, prior to (i) the Maturity Date, where practicable for the Bank to do so and otherwise as soon as practicable after the relevant decision to redeem the Notes (if any) is made or, as applicable (ii) the relevant Interest Payment Date or, as applicable (iii) the Extended Maturity Date.

Any failure by the Bank to so notify such persons shall not affect the validity or effectiveness of any such extension of the maturity of the Notes or, as applicable, redemption by the Bank on the Maturity Date or, as applicable, the relevant Interest Payment Date or, as applicable, the Extended Maturity Date or give rise to any such person having any rights in respect of any such redemption but such failure may result in a delay in

payment being received by a Noteholder through Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be (including on the Maturity Date where at least three Business Days' notice of such redemption is not given to the Noteholders (in accordance with Condition 13) and the Paying Agents) and Noteholders shall not be entitled to further interest or any other payment in respect of such delay. Accordingly, as soon as practicable after receipt of any such notice, the Fiscal Agent will notify Euroclear and/or Clearstream, Luxembourg, as the case may be, of the Bank's intention to redeem the Notes in whole, redeem the Notes in part or extend the Maturity Date (and in any event by no later than three Business Days prior to the relevant date for redemption of the Notes wherever practicable for it to do so).

In the case of Notes which are Zero Coupon Notes up to (and including) the Maturity Date and for which an Extended Maturity Date is specified in the applicable Final Terms, for the purposes of this Condition 5.17, the nominal amount outstanding shall be the total amount otherwise payable by the Bank on the Maturity Date less any payments made by the Bank in respect of such amount in accordance with these Terms and Conditions.

Any extension of the maturity of the Notes under this Condition 5.17 shall be irrevocable. Where this Condition 5.17 applies, any failure to redeem the Notes on the Maturity Date or any extension of the maturity of the Notes under this Condition 5.17 shall not constitute an event of default for any purpose or give any Noteholder any right to receive any payment of interest, principal or otherwise on the relevant Notes other than as expressly set out in these Terms and Conditions.

In the event of the extension of the maturity of the Notes under this Condition 5.17, interest rates, interest periods and interest payment dates on the Notes from (and including) the Maturity Date to (but excluding) the Extended Maturity Date shall be determined and made in accordance with the applicable Final Terms and Condition 4F.

If the Bank redeems part and not all of the principal amount outstanding of the Notes on an Interest Payment Date falling in any month after the Maturity Date, the redemption proceeds shall be applied rateably across the Notes and the nominal amount outstanding on the Notes shall be reduced by the level of that redemption.

If the maturity of the Notes is extended up to the Extended Maturity Date in accordance with this Condition 5.17, subject as otherwise provided in the applicable Final Terms, for so long as any of the Notes remains outstanding, the Bank shall not issue any further Notes, unless the proceeds of issue of such further Notes are applied by the Bank on issue in redeeming in whole or in part the relevant Notes the maturity of which has been extended in accordance with this Condition 5.17.

This Condition 5.17 shall only apply to Notes for which "Extended Maturity" is specified as applicable in the applicable Final Terms and if the Bank fails to redeem those Notes in full on the Maturity Date (or within two Business Days thereafter).

## **6. Events of Default**

### **6A. Events of Default – Senior Preferred Notes, other than Senior Preferred MREL Eligible Notes**

**6A.01** This Condition 6A is applicable in relation to Notes specified in the applicable Final Terms as being Senior Preferred Notes, other than Senior Preferred MREL Eligible Notes. The following events or circumstances (each an **Event of Default**) shall be events of default in relation to the Notes, namely:

- (i) the Bank shall default in the payment of principal or any other redemption amount in respect of any Note for a period of seven days or of any interest in respect of any Note for a period of 30 days, in each case when and as the same ought to be paid; or
- (ii) a court or agency or supervisory authority in the Kingdom of Sweden having jurisdiction in respect of the same shall have instituted a proceeding or entered a decree or order for the appointment of a receiver or liquidator in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities or similar arrangements involving the Bank or all or substantially all of its property, or for the winding up of or liquidation of its affairs, and such

proceeding, decree or order shall not have been vacated or shall have remained in force undischarged or unstayed for a period of 60 days; or

- (iii) the Bank shall file a petition to take advantage of any insolvency statute or shall voluntarily suspend payment of its obligations; or
- (iv) default shall be made by the Bank in the performance or observance of any obligation, condition or provision binding on it under the Notes and, except where such default is not capable of remedy (in which case no such notice or continuation as is hereinafter referred to will be required), such default shall continue for 30 days after written notice thereof has been given by the holder of any Note to the Bank requiring the same to be remedied.

**6A.02** If any Event of Default shall occur and be continuing in relation to any Notes, then the Holder thereof shall be entitled to give notice to the Bank that such Note is immediately redeemable, whereupon the Bank shall immediately redeem such Note at its Early Redemption Amount together with accrued interest (if any) to (but excluding) the date of repayment.

#### **6B. Events of Default – Senior Preferred MREL Eligible Notes, Senior Non-Preferred Notes and Subordinated Notes**

**6B.01** This Condition 6B is applicable in relation to Notes specified in the applicable Final Terms as being Senior Preferred MREL Eligible Notes, Senior Non-Preferred Notes or Subordinated Notes. The following events or circumstances (each an **Event of Default**) shall be events of default in relation to the Notes, namely if:

- (i) the Bank shall default in the payment of principal in respect of any Note for a period of seven days or interest in respect of any Note for a period of 30 days, in each case when and as the same has become due and payable in accordance with its terms; or
- (ii) an order is made or an effective resolution is passed for the winding up or liquidation of the Bank (except for the purpose of a merger, reconstruction or amalgamation under which the continuing entity effectively assumes the entire obligations of the Bank under the Notes) or the Bank is otherwise declared bankrupt (*konkurs*) or put into liquidation (*likvidation*), in each case by a court or agency or supervisory authority in the Kingdom of Sweden having jurisdiction in respect of the same.

**6B.02** If any Event of Default shall occur and be continuing in relation to any Notes, then the Holder thereof shall be entitled to:

- (a) (in the case of 6B.01(i) above) institute proceedings for the Bank to be declared bankrupt (*konkurs*) or its winding-up or liquidation (*likvidation*), in each case in the Kingdom of Sweden and not elsewhere, and prove or claim in the bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Bank; and/or
- (b) (in the case of 6B.01(ii) above), by notice to the Bank, declare such Note to be due and payable, and such Note shall accordingly become due and payable at its principal amount together with accrued interest to the date of payment, and such Holder may prove or claim for such payment in the bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Bank, whether in the Kingdom of Sweden or elsewhere and instituted by the Bank itself or by a third party,

but (in either case) the Holder of such Note may claim payment in respect of the Note only in the bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Bank.

#### **6C. Events of Default – Notes**

Neither a reduction or cancellation, in part or in full, of the principal or any other redemption amount of, or any interest on, the Notes or any other outstanding amounts due under or in respect of the Notes, the conversion thereof into another security or obligation of the Bank or another person, as a result of the

exercise of any bail-in and loss absorption power by the Resolution Authority with respect to the Bank, nor the exercise of any bail-in and loss absorption power by the Resolution Authority with respect to the Notes will be an Event of Default or constitute the occurrence of any event related to the insolvency of the Bank or entitle Holders to take any action to cause the Bank to be declared bankrupt (*konkurs*) or for the liquidation (*likvidation*), winding-up or dissolution of the Bank.

For the purposes of these Terms and Conditions, the **bail-in and loss absorption power** means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Sweden relating to the transposition of the BRRD, including but not limited to the Swedish Banking and Financing Business Act (*Sw: Lagen (2004:297) om bank- och finansieringsrörelse*) and the Swedish Law on Resolution (*Sw: Lagen (2015:1016) om resolution*), as amended from time to time, and the instruments, rules and standards created thereunder.

#### **6D. Covered Bonds – no Events of Default**

None of the provisions of this Condition 6 shall apply to any Series of Notes specified in the applicable Final Terms as being Covered Bonds.

#### **7. Taxation**

**7.01** All amounts payable (whether in respect of principal, interest or otherwise) in respect of the Notes will be made free and clear of and without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Kingdom of Sweden or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes or duties is required by law.

In that event, (A) in relation to any Series of Notes specified in the applicable Final Terms as being Covered Bonds, such withholding or deduction will be made by the Bank without payment of any additional amounts and, (B) in relation to all other Series of Notes, the Bank will, in respect of payments of interest only (in the case of any Series of Tier 2 Subordinated Notes or Senior Non-Preferred Notes) and principal, interest or otherwise (in the case of all such other Series of Notes other than any Series of Tier 2 Subordinated Notes or Senior Non-Preferred Notes), pay such additional amounts as may be necessary in order that the net amounts receivable by the Holders after such withholding or deduction shall equal the respective amounts which would have been receivable in the absence of such withholding or deduction, except that no such additional amounts shall be payable in respect of any Note, Receipt or Coupon:

- (i) the Holder of which is liable to such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Kingdom of Sweden other than the mere holding of such Note, Receipt or Coupon; or
- (ii) presented for payment (where presentation is required) more than 30 days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of 30 days.

Notwithstanding any other provision of these Terms and Conditions, in no event will the Bank be required to pay any additional amounts in respect of the Notes, Receipts and Coupons for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

**7.02** For the purposes of these Terms and Conditions, the **Relevant Date** means the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Fiscal Agent on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Holders of the Notes in accordance with Condition 13.

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

- (i) any additional amounts which may be payable with respect to principal under this Condition 7;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts; and
- (vi) any premium and any other amounts which may be payable by the Bank under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under this Condition 7.

## **8. Payments**

### **8A. Payment – Bearer Notes**

**8A.01** This Condition 8A is applicable in relation to Notes specified in the applicable Final Terms as being in bearer form.

**8A.02** Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (ii) 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 or, at the option of the payee, by a euro cheque.

**8A.03** Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 8A.02 only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the **United States** (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 8A.02 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 8A.02 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Bank. Upon the date on which any definitive Bearer

Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 7) 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, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Reset Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (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 thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

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

**8A.04** Payments of principal and interest (if any) in respect of Notes represented by a Bearer Global Note will (subject as provided below) be made in the manner specified in Condition 8A.02 and 8A.03 in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Bearer Global Note, where applicable against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Bearer Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

**8A.05** Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Bank has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States 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 Bank, adverse tax consequences to the Bank.

## **8B. Payments – Registered Notes**

**8B.01** This Condition 8B is applicable in relation to Notes specified in the applicable Final Terms as being in registered form.

**8B.02** Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar. Such payments will be made by transfer to the Designated Account (as defined below) of the Holder (or the first named of joint Holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the **business day** (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a Holder does not have a Designated Account or (ii) the nominal amount of the Notes held by a Holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a Holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located on the relevant due date to the Holder (or the first named of joint Holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**) at his address shown in the Register on the Record Date and at his risk. Upon application of the Holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the Holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such Holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Fiscal Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars unless the participant in DTC with an interest in the Notes has elected to receive any part of such payment in that Specified Currency, in the manner specified in the Fiscal Agency Agreement in accordance with the rules and procedures for the time being of DTC.



None of the Bank, the Registrar or the Paying Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

## **8C. Payments – General Provisions**

**8C.01** Save as otherwise specified herein, this Condition 8C is applicable in relation to Notes whether in bearer form or in registered form.

**8C.02** Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction, but without prejudice to the provisions of Condition 7, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

**8C.03** Subject as provided in the Deed of Covenant, the holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Bank will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Bank to, or to the order of, the holder of such Global Note.

**8C.04** If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the Holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 9) is:

- (i) 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):
  - (a) in the case of Notes in definitive form only, in the relevant place of presentation; and
  - (b) in any Additional Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (ii) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open;
- (iii) either (1) in relation to 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 centre of the country of the relevant Specified Currency (if other than the place of presentation, and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open; and
- (iv) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has not elected to receive any part of such payment in a Specified Currency other than U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

## **8D. RMB Currency Event**

**8D.01** If “RMB Currency Event” is specified as applicable in the applicable Final Terms and a RMB Currency Event, as determined by the Bank acting in good faith, exists on a date for payment of any amount in respect of any Note, Receipt or Coupon, the Bank’s obligation to make a payment in RMB under the terms of the Notes may be replaced by an obligation to pay such amount in U.S. dollars converted using the Spot Rate for the relevant Rate Calculation Date.

**8D.02** Upon the occurrence of a RMB Currency Event, the Bank shall give notice as soon as practicable to the Noteholders in accordance with Condition 13 stating the occurrence of the RMB Currency Event, giving details thereof and the action proposed to be taken in relation thereto.

**8D.03** For the purpose of this Condition and unless stated otherwise in the applicable Final Terms:

**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 Hong Kong;

**Rate Calculation Business Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London, Stockholm and New York City;

**Rate Calculation Date** means the day which is two Rate Calculation Business Days before the due date of the relevant payment under the Notes;

**Renminbi** and **RMB** means the lawful currency of the People’s Republic of China (the **PRC**), which (for the purposes of these Terms and Conditions) excludes the Hong Kong Special Administrative Region of the PRC, the Macao Special Administration Region of the PRC and Taiwan;

**RMB Currency Events** means any one of RMB Illiquidity, RMB Non-Transferability and RMB Inconvertibility;

**RMB Illiquidity** means the general RMB exchange market in Hong Kong becomes illiquid as a result of which the Bank cannot obtain sufficient RMB in order to make a payment under the Notes, as determined by the Bank in a commercially reasonable manner following consultation with two independent foreign exchange dealers of international repute active in the RMB exchange market in Hong Kong;

**RMB Inconvertibility** means the occurrence of any event that makes it impossible for the Bank to convert any amount due in respect of the Notes into RMB on any payment date at the general RMB exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Bank 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 of the first Tranche of the relevant Series and it is impossible for the Bank, due to an event beyond its control, to comply with such law, rule or regulation);

**RMB Non-Transferability** means the occurrence of any event that makes it impossible for the Bank to deliver RMB between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong (including where the RMB clearing and settlement system for participating banks in Hong Kong is disrupted or suspended), other than where such impossibility is due solely to the failure of the Bank 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 of the first Tranche of the relevant Series and it is impossible for the Bank, due to an event beyond its control, to comply with such law, rule or regulation); and

**Spot Rate** means the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Rate Calculation Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent shall determine the rate taking into consideration all available information

which the Calculation Agent deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Hong Kong or elsewhere and the CNY/U.S. dollar exchange rate in the PRC domestic foreign exchange market.

#### **8E. RMB account**

All payments in respect of any Note, Receipt or Coupon in Renminbi will be made solely by credit to a Renminbi account maintained by the payee at a bank in Hong Kong or such other financial centre(s) as may be specified in the applicable Final Terms as RMB Settlement Centre(s) in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of Renminbi in Hong Kong or any relevant RMB Settlement Centre(s)).

#### **9. Prescription**

**9.01** Bearer Notes, Receipts and Coupons will become void unless presented for payment within ten years (or, in the case of Coupons, five years) after the due date for payment.

**9.02** Claims against the Bank in respect of Registered Notes will be prescribed unless made within ten years (or, in the case of claims in respect of interest, five years) after the due date for payment.

**9.03** There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 8A.03 or any Talon which would be void pursuant to Condition 8A.03.

#### **10. The Paying Agents and the Registrar**

The initial Paying Agents and Registrar are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms. The Bank reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or the Registrar and to appoint additional or other Paying Agents or another Registrar provided that it will at all times maintain (i) a Fiscal Agent, (ii) a Registrar and (iii) so long as any Notes are listed on any stock exchange, a Paying Agent with a specified office in such place as may be required by the rules and regulations of such stock exchange and any other relevant authority. The Paying Agents and the Registrar reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Paying Agents or the Registrar will be notified promptly to the Holders.

In addition, the Bank shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 8A.05. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Bank in accordance with Condition 13.

In acting under the Fiscal Agency Agreement, the Registrar and the Paying Agents act solely as agents of the Bank and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Fiscal Agency Agreement contains provisions permitting any entity into which the Registrar or any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

#### **11. Replacement of Notes**

If any Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons and Talons) or of the Registrar (in the case of Registered Notes), subject to all applicable laws and the requirements of any stock exchange, listing authority and/or quotation system on which the relevant Notes are listed, traded and/or quoted upon payment by the claimant of all expenses incurred in such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Bank and the Fiscal Agent or, as the case may be, the Registrar may require. Mutilated or defaced Notes, Receipts, Coupons and Talons must be surrendered before replacements will be delivered therefor.

## **12. Meetings of Holders and Modification**

The Fiscal Agency Agreement contains provisions, which are binding on the Bank and the Holders of Notes, Receipts and Coupons, for convening meetings of the Holders of the Notes to consider matters affecting their interests, including the modification or waiver of the Terms and Conditions applicable to the Notes.

The Fiscal Agent and the Bank may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification of the Notes, the Receipts, the Coupons or the Fiscal Agency Agreement which is not prejudicial, as to be determined by the Bank, to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Receipts, the Coupons or the Fiscal Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

## **13. Notices**

### ***To Holders of Bearer Notes***

**13.01** Notices to Holders of Bearer Notes will be deemed to be validly given if published in a leading daily 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 newspaper having general circulation in Europe or in the United Kingdom or, in the case of a Bearer Global Note, if delivered to Euroclear and Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein and otherwise if given in compliance with the requirements of each stock exchange, listing authority and/or quotation system on which the Notes are listed, admitted to trading and/or quoted. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of first such publication) or, as the case may be, on the day after the date of such delivery.

### ***To Holders of Registered Notes***

**13.02** Notices to Holders of Registered Notes will be deemed to be validly given if sent by first class mail to them (or, in the case of joint Holders, to the first-named in the Register) at their respective addresses as recorded in the Register, and will be deemed to have been validly given on the fourth day after the date of such mailing.

### ***To the Bank***

**13.03** Notices to the Bank will be deemed to be validly given if delivered at Kungsträdgårdsgatan 8, SE-106 40 Stockholm and clearly marked on their exterior “Urgent – Attention: Group Treasury” (or at such other address and for such other attention as may have been notified to the Holders of the Notes in accordance with this Condition 13) and will be deemed to have been validly given at the opening of business on the next day on which the Bank’s principal office is open for business.

## **14. Further Issues**

The Bank may from time to time without the consent of the Holders create and issue further notes, bonds or debentures having the same terms and conditions as the Notes in all respects (or in all respects except for the amount and date of the first payment of interest on them and the date from which interest starts to accrue) so as to form a single series with the outstanding Notes.

## **15. Exchange of Talons**

On and after the Interest Payment Date 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 Fiscal

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.

## **16. Governing Law and Jurisdiction; Bail-in and Loss Absorption Power**

**16.01** The Notes, the Fiscal Agency Agreement, the Deed of Covenant, the Deed Poll and any non-contractual obligations arising out of or in respect of the Notes and the Fiscal Agency Agreement are governed by, and shall be construed in accordance with, English law, except with respect to Conditions 3A, 3B and 3D, which are all governed by, and shall be construed in accordance with, the laws of the Kingdom of Sweden. Any non-contractual obligations arising out of or in respect of Conditions 3A, 3B and 3D are governed by, and shall be construed in accordance with, the laws of the Kingdom of Sweden.

**16.02** The Bank irrevocably agrees for the benefit of the Holders of the Notes that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes (respectively, **Proceedings** and **Disputes**), which may arise out of or in connection with the Notes (including any Proceedings or Disputes relating to any non-contractual obligations arising out of or in connection with the Notes) and, for such purposes, irrevocably submits to the jurisdiction of such courts. The Bank irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum. The Bank agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to it at its London branch at One Carter Lane, London EC4V 5AN. In the event of the Bank's London branch ceasing so to act or ceasing to be registered in England, it shall forthwith appoint a person in England to accept service of process on its behalf in England and notify the name and address of such person to the Holders in accordance with Condition 13. Nothing contained herein shall affect the right to serve process in any other manner permitted by law. The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the Holders or any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

### ***Bail-in and Loss Absorption Power – Notes***

**16.03** Notwithstanding any other term of the Notes or any other agreements, arrangements, or understandings between the Bank and any Holder, by its acquisition of the Notes, each Holder (which, for these purposes, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees to be bound by: (a) the effect of the exercise of any bail-in and loss absorption power by the Resolution Authority, that may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount of, or any interest on, the Notes or any other outstanding amounts due under or in respect of the Notes; (ii) the conversion of all, or a portion, of the principal amount of, or any interest on, the Notes or any other outstanding amounts due under or in respect of the Notes into shares, other securities or other obligations of the Bank or another person (and the issue to or conferral on the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes; (iii) the cancellation of the Notes; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (b) the variation of the terms of the Notes, if necessary, to give effect to the exercise of any bail-in and loss absorption power by the Resolution Authority.

By its acquisition of the Notes, each Holder (including, for these purposes, each holder of a beneficial interest in the Notes): (a) acknowledges, accepts, consents and agrees to be bound by the exercise of any bail-in and loss absorption power as it may be exercised without any prior notice by the Resolution Authority of its decision to exercise such power with respect to such Notes and (b) shall be deemed to have authorised, directed and requested Euroclear, Clearstream, Luxembourg, DTC, any accountholder in Euroclear or Clearstream, Luxembourg and any direct participant in DTC or other intermediary through which it holds

such Notes to take any and all necessary action, if required, to implement the exercise of any bail-in and loss absorption power with respect to such Notes as it may be exercised, without any further action or direction on the part of such Holder, the Fiscal Agent, any Paying Agent or the Registrar.

**16.04** Upon the exercise of any bail-in and loss absorption power by the Resolution Authority with respect to the Notes, the Bank will provide a written notice to the Holders in accordance with Condition 13 as soon as practicable regarding such exercise of the bail-in and loss absorption power for the purpose of notifying Holders of such occurrence. The Bank will also deliver a copy of such notice to the Fiscal Agent, the Registrar and the Paying Agents for information purposes.

## **17. Third Parties**

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