

AMENDED AND RESTATED TRUST DEED

relating to Leeds Building Society £2,000,000,000 Euro Medium Term Note Programme
arranged by NatWest Markets Plc

Dated 11 January 2024

LEEDS BUILDING SOCIETY

as Issuer

and

THE LAW DEBENTURE TRUST CORPORATION p.l.c.

as Trustee

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This Deed is made on 11 January 2024 **between:**

- (1) **LEEDS BUILDING SOCIETY** (the “**Issuer**”) and
- (2) **THE LAW DEBENTURE TRUST CORPORATION p.l.c.** (the “**Trustee**”, which expression, where the context so admits, includes any other trustee for the time being of this Trust Deed).

Whereas:

- (A) The Issuer proposes to issue from time to time euro medium term notes in an aggregate nominal amount outstanding at any one time not exceeding the Programme Limit in accordance with the Dealer Agreement (the “**Programme**”) and to be constituted under this Trust Deed.
- (B) This Deed will replace the amended and restated trust deed dated 14 December 2021 (the “**Original Trust Deed**”) in respect of all Notes issued pursuant to the Programme on or after the date of this Deed save for any Notes issued on or after such date so as to be consolidated and form a single series with any Series of Notes issued before such date.
- (C) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.

This deed witnesses and it is declared as follows:

1 Interpretation

1.1 Definitions: Expressions defined in the Conditions and not herein have the meanings given to them in the Conditions. The following expressions have the following meanings:

“**Act**” means the Building Societies Act 1986, which expression shall include, where applicable, any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under any such statutory modification or re-enactment

“**Agency Agreement**” means the amended and restated agency agreement relating to the Programme dated 13 December 2019 (as from time to time, amended, restated, supplemented, modified or replaced) between the Issuer, the Trustee, HSBC Bank plc as initial Issuing and Paying Agent and the other agents mentioned in it

“**Agents**” means the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents or any of them

“**Auditors**” means the auditors for the time being of the Issuer or, if they are unable or unwilling to carry out any action requested of them under this Trust Deed, such other firm of accountants as may be nominated or approved in writing by the Trustee for the purpose

“**Authorised Person**” means any director of the Issuer and any other person for the time being notified in writing by the Issuer to the Trustee as being authorised to sign any Notes or Certificates to be issued under the Programme or any certificates or reports for the purpose of this Trust Deed

“**Bearer Note**” means a Note that is in bearer form, and includes any replacement Bearer Note issued pursuant to the Conditions and any temporary Global Note or permanent Global Note

“**Calculation Agent**” means any person named as such in the Conditions or any Successor Calculation Agent

“Certificate” means a registered certificate representing one or more Registered Notes of the same Series and, save as provided in the Conditions, comprising the entire holding by a Noteholder of his Registered Notes of that Series and, save in the case of Global Certificates, being substantially in the form set out in Schedule 2 Part B

“CGN” means a temporary Global Note in the form set out in Schedule 1 Part A or a permanent Global Note in the form set out in Schedule 1 Part B

“Clearstream, Luxembourg” means Clearstream Banking S.A.

“Common Safekeeper” means, in relation to a Series, where the relevant Global Note is a NGN or the relevant Global Certificate is held under the NSS, the common safekeeper for Euroclear and Clearstream, Luxembourg appointed in respect of such Series

“Conditions” means in respect of the Notes of each Series the terms and conditions applicable thereto which shall be substantially in the form set out in Schedule 2 Part C as modified, with respect to any Notes represented by a Global Certificate or a Global Note, by the provisions of such Global Certificate or Global Note, shall incorporate any additional provisions forming part of such terms and conditions set out in Part A of the applicable Final Terms relating to the Notes of that Series and shall be endorsed on the Definitive Notes subject to amendment and completion as referred to in the first paragraph of Schedule 2 Part C and any reference to a particularly numbered Condition shall be construed accordingly

“Contractual Currency” means, in relation to any payment obligation of any Note, the currency in which that payment obligation is expressed and, in relation to Clause 11, pounds sterling or such other currency as may be agreed between the Issuer and the Trustee from time to time

“Coupons” means the bearer coupons relating to interest bearing Bearer Notes or, as the context may require, a specific number of them and includes any replacement Coupons issued pursuant to the Conditions

“Dealer” means the person(s) referred to as such in the Dealer Agreement from time to time

“Dealer Agreement” means the amended and restated dealer agreement relating to the Programme dated 11 January 2024 (as from time to time, amended, restated, supplemented, modified or replaced) between the Issuer, NatWest Markets Plc as arranger and Dealer and the other Dealers named in it

“Deferred Shares” has the meaning given in the Act

“Definitive Note” means a Bearer Note in definitive form having, where appropriate, Coupons and/or a Talon attached on issue and, unless the context requires otherwise, means a Certificate (other than a Global Certificate) and includes any replacement Note or Certificate issued pursuant to the Conditions

“Euroclear” means Euroclear Bank SA/NV

“Event of Default” means an event described in Condition 10

“Extraordinary Resolution” has the meaning set out in Schedule 3

“FATCA Withholding Tax” means any amount required to be withheld or deducted pursuant to the rules of the U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended successor provisions and any regulations and official guidance issued thereunder) pursuant

to any intergovernmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service

“Final Terms” means, in relation to a Tranche, the Final Terms issued specifying the relevant issue details of such Tranche, substantially in the form of Schedule C to the Dealer Agreement

“FSMA” means the Financial Services and Markets Act 2000, as amended

“Global Certificate” means a Certificate substantially in the form set out in Schedule 1 Part C representing Registered Notes of one or more Tranches of the same Series

“Global Note” means a temporary Global Note and/or, as the context may require, a permanent Global Note, a CGN and/or a NGN, as the context may require

“holder” in relation to a Note, Coupon or Talon, and **“Couponholder”** and **“Noteholder”** have the meanings given to them in the Conditions

“Issuing and Paying Agent” means the person named as such in the Conditions or any Successor Issuing and Paying Agent in each case at its specified office

“London Stock Exchange” means London Stock Exchange plc, and references in this Agreement to Notes being **“listed on the London Stock Exchange”** shall be to Notes that are admitted to the official list of the Financial Conduct Authority acting under Part VI of the FSMA (the **“Official List”**) and admitted to trading on the London Stock Exchange and the terms **“to list”** and **“listing”** on the London Stock Exchange shall be interpreted accordingly

“Market” means the Regulated Market of the London Stock Exchange

“Material Subsidiary” means at any time any Subsidiary of the Issuer whose gross assets or pre-tax profits equal or exceed 10 per cent. of the gross assets or pre-tax profits of the Issuer and its Subsidiaries and for these purposes:

(a) the gross assets or pre-tax profits of any such Subsidiary shall be calculated by reference to:

(i) the accounts (consolidated if it prepares consolidated accounts) of that Subsidiary based upon which the then latest audited consolidated accounts of the Issuer and its Subsidiaries have been prepared or

(ii) if such Subsidiary becomes a Subsidiary of the Issuer after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, the then latest accounts (consolidated if it prepares consolidated accounts) of that Subsidiary

and

(b) the gross asset or pre-tax profits of the Issuer and its Subsidiaries shall be calculated by reference to the then latest audited consolidated accounts of the Issuer and its Subsidiaries, adjusted to reflect any Subsidiary subsequently acquired or disposed of

“NGN” means a temporary Global Note in the form set out in Schedule 1 Part C or a permanent Global Note in the form set out in Schedule 1 Part D

“Non-syndicated Issue” means an issue of Notes which is not a Syndicated Issue

“Notes” means the euro medium term notes to be issued by the Issuer pursuant to the Dealer Agreement, constituted by this Trust Deed and for the time being outstanding or, as the context may require, a specific number of them

“NSS” means the new safekeeping structure which applies to Registered Notes held in global form by a Common Safekeeper for Euroclear and Clearstream, Luxembourg and which is required for such Registered Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations

“outstanding” means, in relation to the Notes, all the Notes issued except (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid to the Trustee or to the Issuing and Paying Agent as provided in Clause 2 and remain available for payment against presentation and surrender of Notes, Certificates and/or Coupons, as the case may be, (c) those that have become void or in respect of which claims have become prescribed, (d) those that have been purchased and cancelled as provided in the Conditions, (e) those mutilated or defaced Bearer Notes that have been surrendered in exchange for replacement Bearer Notes, (f) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued, and (g) any temporary Global Note to the extent that it shall have been exchanged for a permanent Global Note and any Global Note to the extent that it shall have been exchanged for one or more Definitive Notes, in either case pursuant to its provisions provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Noteholders, (2) the determination of how many Notes are outstanding for the purposes of the Conditions and Schedule 3 and (3) the exercise of any discretion, power or authority that the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders, those Notes that are beneficially held by or on behalf of the Issuer or any of its Subsidiaries and not cancelled shall (unless no longer so held) be deemed not to remain outstanding. Save for the purposes of the proviso herein, in the case of each NGN, the Trustee shall rely on the records of Euroclear and Clearstream, Luxembourg in relation to any determination of the nominal amount outstanding of each NGN which, for the avoidance of doubt, may be provided to the Trustee in any form in accordance with the usual procedures of the relevant clearing system(s), including any print out of electronic records provided by Euroclear’s EasyWay or Clearstream, Luxembourg’s Xact Web Portal system

“Paying Agents” means the persons (including the Issuing and Paying Agent) referred to as such in the Conditions or any Successor Paying Agents in each case at their respective specified offices

“permanent Global Note” means a Global Note representing Bearer Notes of one or more Tranches of the same Series, either on issue or upon exchange of a temporary Global Note, or part of it, and which shall be substantially in the form set out in Schedule 1 Part B or Schedule 1 Part D, as the case may be

“Priority Claims” means claims in the winding-up or dissolution of the Issuer that are (x) Senior Claims, (y) Senior Non-Preferred Claims, and (z) any Subordinated Claims (if any) which rank, or are expressed to rank, in priority to claims in respect of the Subordinated Notes

“Potential Event of Default” means an event or circumstance that could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 10 become an Event of Default

“Procedures Memorandum” means administrative procedures and guidelines relating to the settlement of issues of Notes as shall be agreed upon from time to time by the Issuer, the Trustee, the Permanent Dealers (as defined in the Dealer Agreement) and the Issuing and Paying Agent and which, at the date of this Agreement, are set out in Schedule A to the Dealer Agreement

“Programme Limit” means the maximum aggregate nominal amount of Notes that may be issued and outstanding at any time under the Programme, as such limit may be increased pursuant to the Dealer Agreement

“Redemption Amount” means the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-up Call Amount, as the case may be, all as defined in the Conditions

“Register” means the register maintained by the Registrar

“Registered Note” means a Note in registered form

“Registrar” means the person named as such in the Conditions or any Successor Registrar in each case at its specified office

“Regulated Market” means a UK regulated market for the purposes of Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018

“Senior Claims” means the aggregate amount of all claims in respect of deposits with, or loans to, the Issuer, all claims of creditors in respect of Ordinary Non-Preferential Debts of the Issuer and all other obligations of the Issuer which are preferred by law to Secondary Non-Preferential Debts

“Senior Non-Preferred Claims” means the aggregate amount of all claims admitted in the winding up or dissolution of the Issuer which are claims of creditors in respect of Secondary Non-Preferential Debts of the Issuer

“Senior Non-Preferred Note” means a note which:

- (a) is, or will be, listed on the London Stock Exchange or any other stock exchange
- (b) provides that the right to payment of principal and interest in respect thereof ranks junior to the Senior Claims in the manner specified in Clause 5 and Condition 3(b)
- (c) is denominated and payable in any such currency as may from time to time be permitted by the Prudential Regulation Authority or any other relevant authority and has such minimum or maximum denomination as may be required from time to time by the Issuer or the relevant authority or any laws or regulations applicable to the Issuer or the relevant currency
- (d) has such minimum and/or maximum maturity as may be required from time to time by the relevant authority or any laws or regulations applicable to the Issuer or the relevant currency and

- (e) provides that no holder of any such Subordinated Note may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer as specified in Condition 3(b),

and is issued or to be issued by the Issuer pursuant to the Dealer Agreement or any other agreement between the Issuer and the relevant Dealer(s) which shall initially be represented by a temporary Global Note which may (in accordance with the terms of such temporary Global Note) be exchanged for either Definitive Notes or a permanent Global Note which permanent Global Note may (in accordance with the terms of such permanent Global Note) in turn be exchanged for Definitive Notes and includes any replacement for a Senior Non-Preferred Note issued pursuant to Condition 14

“Senior Preferred Note” means a note denominated in such currency as may be agreed between the Issuer and the relevant Dealer which provides the right to payment of principal and interest by the Issuer in the manner specified in Condition 3(a) and has a minimum maturity of one month subject to compliance with all relevant laws, regulations and directives issued or to be issued by the Issuer pursuant to the Dealer Agreement or any other agreement between the Issuer and the relevant Dealer and which shall initially be represented by a temporary Global Note which may (in accordance with the terms of such temporary Global Note) be exchanged for either Definitive Notes or a permanent Global Note which permanent Global Note may (in accordance with the terms of such permanent Global Note) in turn be exchanged for Definitive Notes (all as indicated in the applicable Final Terms) and includes any replacement for a Senior Preferred Note issued pursuant to Condition 14

“Series” means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same series number

“specified office” means, in relation to a Paying Agent, the Registrar or a Transfer Agent the office identified with its name at the end of the Conditions or any other office approved by the Trustee and notified to Noteholders pursuant to sub-Clause 10.10

“Subordinated Claims” means the aggregate amount of all claims admitted in the winding up or dissolution of the Issuer which are claims in respect of Tertiary Non-Preferential Debts of the Issuer (or which otherwise rank or are expressed to rank junior to Senior Non-Preferred Claims), including (without limitation) claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital, Additional Tier 1 Capital (including, without limitation, the Issuer’s permanent interest bearing shares) or CET1 Capital (including the Issuer’s core capital deferred shares)

“Subordinated Note” means a note which:

- (a) is, or will be, listed on the London Stock Exchange or any other stock exchange
- (b) provides that the right to payment of principal and interest in respect thereof is subordinated in the manner specified in Clause 6 and Condition 3(c)
- (c) is denominated and payable in any such currency as may from time to time be permitted by the Supervisory Authority or any other relevant authority and has such minimum or maximum denomination as may be required from time to time by the Issuer or the relevant monetary authority or any laws or regulations applicable to the Issuer or the relevant currency

- (d) has a minimum maturity of five years or such other minimum or maximum maturity as may be required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant currency and
- (e) provides that no holder of any such Subordinated Note may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer as specified in Condition 3(c)

and is issued or to be issued by the Issuer pursuant to the Dealer Agreement or any other agreement between the Issuer and the relevant Dealer(s) which shall initially be represented by a temporary Global Note which may (in accordance with the terms of such temporary Global Note) be exchanged for either Definitive Notes or a permanent Global Note which permanent Global Note may (in accordance with the terms of such permanent Global Note) in turn be exchanged for Definitive Notes and includes any replacement for a Subordinated Note issued pursuant to Condition 14

“Subsidiary” means a subsidiary within the meaning of Section 1159 of the Companies Act 2006 and **“Subsidiaries”** shall be construed accordingly

“Successor” means, in relation to an Agent such other or further person as may from time to time be appointed by the Issuer as such Agent with the written approval of the Trustee and notice of whose appointment is given to Noteholders pursuant to sub-Clause 10.10

“Successor in Business” means:

- (a) any building society (not being a building society which is established by the amalgamation of the Issuer under and in accordance with the terms of Section 93 of the Act) which is validly and effectually, in accordance with all enactments, orders and regulations in force from time to time, registered as a successor society to the Issuer and to another building society or other building societies in order to effect the amalgamation of the Issuer with such other society or societies or
- (b) any building society (not being a building society which undertakes under and in accordance with the terms of Section 94 of the Act to fulfil the engagements of the Issuer) which validly and effectually, in accordance with all enactments, orders and regulations in force from time to time, undertakes to fulfil the obligations of the Issuer under this Trust Deed as part of a transfer of engagements by the Issuer to such building society or
- (c) any company or other entity (not being a successor within the meaning of Section 97 of the Act) to which the Issuer validly and effectually, in accordance with all enactments, orders and regulations in force from time to time, as part of a transfer of the whole or substantially the whole of its business, undertaking or assets, transfers the whole or substantially the whole of its business, undertaking or assets for the purpose of such company or other entity assuming and conducting the business of the Issuer in its place and which company or other entity undertakes to fulfil the obligations of the Issuer under this Trust Deed or
- (d) any other entity (not being a successor building society within the meaning of Section 93 of the Act, a society to which the engagements of the Issuer are transferred under Section 94 of the Act or a successor within the meaning of Section 97 of the Act) which, in acquiring in any other manner all or substantially all of the undertaking, property and/or assets of the Issuer or in carrying on as a successor to the Issuer

the whole or substantially the whole of the business carried on by the Issuer prior thereto undertakes to fulfil the obligations of the Issuer under this Trust Deed

where, in each of the cases in paragraphs (a) to (d) above, the terms of the proposed transaction have previously been approved by the Trustee

“Supervisory Authority” means the Prudential Regulation Authority and any successor organisation responsible for the prudential supervision of building societies or authorised persons under the FSMA in the United Kingdom (or if the Issuer becomes domiciled in a jurisdiction other than the United Kingdom, such other jurisdiction)

“Supervisory Permission” means, in relation to any action in respect of any Subordinated Notes or Senior Non-Preferred Notes, any required notice, supervisory permission (and/or, as appropriate, consent, approval or waiver) of the Supervisory Authority for such action under the prevailing Applicable Rules and/or Loss Absorption Regulations, as the case may be

“Syndicated Issue” means an issue of Notes pursuant to sub-Clause 2.2 of the Dealer Agreement

“Talons” mean talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto

“temporary Global Note” means a Global Note representing Bearer Notes of one or more Tranches of the same Series on issue and which shall be substantially in the form set out in Schedule 1 Part A or Schedule 1 Part C, as the case may be

“Tier 2 Capital” has the meaning given to it from time to time by the Supervisory Authority

“Tranche” means, in relation to a Series, those Notes of that Series that are issued on the same date at the same issue price and in respect of which the first payment of interest is identical

“Transaction Documents” means the Agency Agreement (as defined above) and this Trust Deed

“Transfer Agents” means the persons (including the Registrar) referred to as such in the Conditions or any Successor Transfer Agents in each case at their specified offices and

“trust corporation” means a trust corporation (as defined in the Law of Property Act 1925) or a corporation entitled to act as a trustee pursuant to applicable foreign legislation relating to trustees.

1.2 Construction of Certain References: References to:

1.2.1 the records of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers' interests in the Notes

1.2.2 costs, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof and

1.2.3 an action, remedy or method of judicial proceedings for the enforcement of creditors' rights include references to the action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto.

1.3 Headings: Headings shall be ignored in construing this Trust Deed.

1.4 Contracts: References in this Trust Deed to this Trust Deed or any other document are to this Trust Deed or those documents as amended, restated, supplemented, modified or replaced from time to time in relation to the Programme and include any document that amends, restates, supplements, modifies or replaces them.

1.5 Schedules: The Schedules are part of this Trust Deed and have effect accordingly.

1.6 Alternative Clearing System: References in this Trust Deed to Euroclear and/or Clearstream, Luxembourg shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the Issuer, the Trustee and the Issuing and Paying Agent. In the case of NGNs or Global Certificates held under the NSS, such alternative clearing system must also be authorised to hold such Notes as eligible collateral for Eurosystem monetary policy and intra-day credit operations.

1.7 Contracts (Rights of Third Parties) Act 1999: A person who is not a party to this Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement except and to the extent (if any) that this Trust Deed expressly provides for such Act to apply to any of its terms.

2 Issue of Notes and Covenant to pay

2.1 Issue of Notes: The Issuer may from time to time issue Notes in Tranches of one or more Series on a continuous basis with no minimum issue size in accordance with the Dealer Agreement. Before issuing any Tranche, the Issuer shall give written notice or procure that written notice is given to the Trustee of the proposed issue of such Tranche, specifying the details to be included in the relevant Final Terms. Upon the issue by the Issuer of any Notes expressed to be constituted by this Trust Deed, such Notes shall forthwith be constituted by this Trust Deed without any further formality and irrespective of whether or not the issue of such debt securities contravenes any covenant or other restriction in this Trust Deed or the Programme Limit.

2.2 Separate Series: The provisions of sub-Clauses 2.3, 2.4, 2.5 and 2.6 and of Clauses 3 to 7 and Schedule 3 (all inclusive) shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions "Noteholders", "Certificates", "Coupons", "Couponholders" and "Talons", together with all other terms that relate to Notes or their Conditions, shall be construed as referring to those of the particular Series in question and not of all Series unless expressly so provided, so that each Series shall be constituted by a separate trust pursuant to sub-Clause 2.3 and that, unless expressly provided, events affecting one Series shall not affect any other.

2.3 Covenant to Pay: The Issuer shall on any date when any Notes become due to be redeemed, in whole or in part, unconditionally pay to or to the order of the Trustee in the Contractual Currency, in the case of any Contractual Currency other than euro, in the principal financial centre for the Contractual Currency and in the case of euro, in a city in which banks have access to the TARGET System, in same day funds the Redemption Amount of the Notes becoming due for redemption on that date together with any applicable premium and shall (subject to the Conditions) until such payment (both before and after

judgment) unconditionally so pay to or to the order of the Trustee interest in respect of the nominal amount of the Notes outstanding as set out in the Conditions (subject to sub-Clause 2.6) provided that (1) subject to the provisions of Clause 2.5 payment of any sum due in respect of the Notes made to the Issuing and Paying Agent as provided in the Agency Agreement shall, to that extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions and (2) a payment made after the due date or as a result of the Note becoming repayable following an Event of Default shall be deemed to have been made when the full amount due has been received by the Issuing and Paying Agent or the Trustee and notice to that effect has been given to the Noteholders (if required under Clause 10.8), except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions. This covenant shall only have effect each time Notes are issued and outstanding, when the Trustee shall hold the benefit of this covenant on trust for the Noteholders and Couponholders of the relevant Series.

2.4 Discharge: Subject to sub-Clause 2.5, any payment to be made in respect of the Notes or the Coupons by the Issuer or the Trustee may be made as provided in the Conditions and any payment so made shall (subject to sub-Clause 2.5) to that extent be a good discharge to the Issuer or the Trustee, as the case may be (including, in the case of Notes represented by a NGN, whether or not the corresponding entries have been made in the records of Euroclear and Clearstream, Luxembourg).

2.5 Payment after a Default: At any time after an Event of Default or a Potential Event of Default has occurred in relation to a particular Series the Trustee may:

2.5.1 by notice in writing to the Issuer, the Paying Agents and the Transfer Agents, require the Paying Agents and the Transfer Agents, until notified by the Trustee to the contrary, so far as permitted by applicable law:

- (i) to act as Paying Agents and Transfer Agents of the Trustee under this Trust Deed and the Notes of such Series on the terms of the Agency Agreement (with consequential amendments as necessary and except that the Trustee's liability for the indemnification, remuneration and expenses of the Paying Agents and the Transfer Agents shall be limited to the amounts for the time being held by the Trustee in respect of such Series in respect of the Notes on the terms of this Trust Deed) and thereafter to hold all Notes, Certificates, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of Notes, Certificates, Coupons and Talons of such Series to the order of the Trustee or
- (ii) to deliver all Notes, Certificates, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of the Notes, Certificates, Coupons and Talons of such Series to the Trustee or as the Trustee directs in such notice and

2.5.2 by notice in writing to the Issuer require it to make all subsequent payments in respect of the Notes, Coupons and Talons of such Series to or to the order of the Trustee and not to the Issuing and Paying Agent with effect from the issue of any such notice to the Issuer; and from then until such notice is withdrawn, proviso (1) to Clause 2.3 above shall cease to have effect.

2.6 Rate of Interest After a Default:

- 2.6.1** If any series of Notes bears interest at a floating or other variable rate, but except where the Reference Rate in respect of the relevant Series of Notes is specified in the applicable Final Terms as being “Compounded Daily SONIA” (in which case Clause 2.6.2 below shall apply), and such Notes become immediately payable under the Conditions, the rate of interest payable in respect of them shall continue until the expiry of the Interest Period during which the Notes of the relevant Series become due and payable and thereafter shall be calculated by the Calculation Agent in accordance with the Conditions (with consequential amendments as necessary) except that the rates of interest need not be published unless the Trustee otherwise requires. The first period in respect of which interest shall be so calculable shall commence on the expiry of the Interest Period during which the Notes become so repayable.
- 2.6.2** Where the Reference Rate in respect of any Series of Notes is specified in the applicable Final Terms as being “Compounded Daily SONIA”, and they become immediately payable under the Conditions, the final Rate of Interest shall be calculated for the Interest Period to (but excluding) the date on which the Notes become so due and payable and such Rate of Interest shall continue to apply to such Notes for so long as interest continues to accrue thereon in accordance with the Conditions.

3 Form of the Notes

- 3.1 The Global Notes, Global Certificates and Certificates:** The Notes shall initially be represented by a temporary Global Note, a permanent Global Note, a Global Certificate or one or more Certificates in the nominal amount of the Tranche, being issued. Interests in temporary Global Notes shall be exchangeable for Definitive Notes or interests in permanent Global Notes as set out in each temporary Global Note. Interests in permanent Global Notes shall be exchangeable for Definitive Notes as set out in each permanent Global Note.
- 3.2 The Definitive Notes and Certificates:** The Definitive Notes, Coupons and Talons shall be security printed and the Certificates shall be printed, in each case in accordance with applicable legal and stock exchange requirements substantially in the forms set out in Schedule 2. The Notes and Certificates (other than Global Certificates) shall be endorsed with the Conditions.
- 3.3 Signature:** The Notes, Certificates, Coupons and Talons shall be signed manually or in facsimile by an Authorised Person of the Issuer, the Notes shall be authenticated by or on behalf of the Issuing and Paying Agent and the Certificates shall be authenticated by or on behalf of the Registrar. The Issuer may use the facsimile signature of a person who at the date of this Trust Deed is such an Authorised Person even if at the time of issue of any Notes, Certificates, Coupons or Talons he or she no longer holds that office. In the case of a Global Note which is a NGN or a Global Certificate which is held under the NSS, the Issuing and Paying Agent or the Registrar shall also instruct the Common Safekeeper to effectuate the same. Notes, Certificates, Coupons and Talons so executed and authenticated (and effectuated, if applicable) shall be or, in the case of Certificates, represent binding and valid obligations of the Issuer.

4 Stamp Duties and Taxes

- 4.1 Stamp Duties:** The Issuer shall pay any stamp, issue, documentary or other taxes and duties, including interest and penalties, payable in Belgium, Luxembourg, the United

Kingdom and the country of each Contractual Currency in respect of the creation, issue and offering of the Notes, Certificates, Coupons and Talons and the execution or delivery of this Trust Deed. The Issuer shall also indemnify the Trustee, the Noteholders and the Couponholders from and against all stamp, issue, documentary or other taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Trustee or, as the case may be, the Noteholders or the Couponholders to enforce the Issuer's obligations under this Trust Deed or the Notes, Certificates, Coupons or Talons.

- 4.2 Change of Taxing Jurisdiction:** If the Issuer becomes subject generally to the taxing jurisdiction of a territory or a taxing authority of or in that territory with power to tax other than or in addition to the United Kingdom, then the Issuer shall (unless the Trustee otherwise agrees) give the Trustee an undertaking satisfactory to the Trustee in terms corresponding to the terms of Condition 8 with the substitution for, or (as the case may require) the addition to, the references in that Condition to the United Kingdom of references to that other or additional territory or authority to whose taxing jurisdiction the Issuer has become so subject. In such event this Trust Deed and the Notes, Certificates, Coupons and Talons shall be read accordingly.

5 Status and Ranking of Senior Non-Preferred Notes

- 5.1** The Senior Non-Preferred Notes and any relative Coupons are direct, unsecured and unguaranteed obligations of the Issuer and, subject to the Insolvency Act (and any other Ranking Legislation), constitute Secondary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation), ranking *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), claims in respect of principal, interest and any other amount (including, without limitation, any damages awarded for breach of the Issuer's obligations) in respect of the Senior Non-Preferred Notes and any relative Coupons will, in the event of the winding up or dissolution of the Issuer (subject as otherwise provided in an Excluded Dissolution), rank as provided for Secondary Non-Preferential Debts in the Insolvency Act (and any other Ranking Legislation), and therefore rank:

- 5.1.1 junior in right of payment to all Senior Claims
- 5.1.2 *pari passu* with all other Senior Non-Preferred Claims and
- 5.1.3 in priority to all Subordinated Claims.

- 5.2** Any payment postponed under the Insolvency Act (or other Ranking Legislation) as explained in this Clause 5 but ultimately paid to the Trustee shall be paid to Noteholders holding Senior Non-Preferred Notes or, as the case may be, the relative Couponholders *pari passu* and rateably in accordance with the provisions of Clause 7.1.

- 5.3** Unless "*Senior Non-Preferred Notes: Waiver of Set-off*" is expressly specified to be "Not Applicable" in the applicable Final Terms and subject to applicable law, no holder of a Senior Non-Preferred Note or any relative Coupon may exercise, claim or plead any right of set-off (including, without limitation, compensation or retention), counterclaim or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Non-Preferred Notes or any relative Coupons, and each Noteholder and Couponholder shall, by virtue of being the holder of any such Senior Non-Preferred Note or relative Coupon (as the case may be), be deemed to have waived all such rights of set-off (including, without

limitation, compensation or retention), counterclaim or netting. Notwithstanding the provision of the foregoing sentence, if any of the said rights and claims of any Noteholder or Couponholder of a Senior Non-Preferred Note or relative Coupon against the Issuer is discharged by set-off (including, without limitation, compensation or retention), counterclaim or netting, such Noteholder or Couponholder will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding up or dissolution of the Issuer, the liquidator or other insolvency official of the Issuer, and accordingly such discharge will be deemed not to have taken place.

6 Status and Subordination of Subordinated Notes

6.1 The Subordinated Notes and any relative Coupons are direct, unsecured and unguaranteed obligations of the Issuer, subordinated as described below, and rank *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), the Subordinated Notes form part of the class of Tertiary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation), and claims in respect of principal, interest and any other amount (including, without limitation, any damages awarded for breach of the Issuer's obligations) in respect of the Subordinated Notes and any relative Coupons will, in the event of the winding up or dissolution of the Issuer (subject as otherwise provided in an Excluded Dissolution):

6.1.1 be subordinated in right of payment in the manner provided in the Insolvency Act (and any other Ranking Legislation) and below to (x) all Senior Claims, (y) all Senior Non-Preferred Claims and (z) any Subordinated Claims (if any) which rank or are expressed to rank, in priority to claims in respect of the Subordinated Notes

6.1.2 rank at least *pari passu* with claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital (including the Issuer's GBP 200,000,000 Callable Fixed Rate Reset Subordinated Notes due April 2029) and

6.1.3 rank in priority to claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Additional Tier 1 Capital (including, without limitation, the Issuer's permanent interest bearing shares) or CET1 Capital and in priority to any other claims ranking, or expressed to rank, junior to the claims in respect of Subordinated Notes and for the avoidance of doubt, ahead of all claims in respect of any Deferred Shares in the Issuer.

6.2 Subject to applicable law, no holder of a Subordinated Note or any relative Coupon may exercise, claim or plead any right of set-off (including, without limitation, compensation or retention), counterclaim or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes or any relative Coupons, and each Noteholder and Couponholder shall, by virtue of being the holder of any such Subordinated Note or Coupon (as the case may be), be deemed to have waived all such rights of set-off (including, without limitation, compensation or retention), counterclaim or netting. Notwithstanding the provision of the foregoing sentence, if any of the said rights and claims of any Noteholder or Couponholder of a Subordinated Note or relative Coupon against the Issuer is discharged by set-off (including, without limitation, compensation or retention), counterclaim or netting, such Noteholder or Couponholder will immediately pay an amount

equal to the amount of such discharge to the Issuer or, in the event of winding up or dissolution of the Issuer, the liquidator or other insolvency official of the Issuer and accordingly such discharge will be deemed not to have taken place.

7 Application of moneys received by the Trustee

7.1 Declaration of Trust: All moneys received by the Trustee in respect of the Notes or amounts payable under this Trust Deed shall, despite any appropriation of all or part of them by the Issuer be held by the Trustee on trust to apply them (subject to sub-Clause 7.2 and, in the case of Senior Non-Preferred Notes, Clause 5 and, in the case of Subordinated Notes, Clause 6):

- (i) first, in payment of all costs, charges, expenses and liabilities properly incurred by the Trustee (including remuneration payable to it) in carrying out its functions under this Trust Deed
- (ii) second, in payment of any amounts owing in respect of the Notes, or Coupons *pari passu* and rateably and
- (iii) third, in payment of any balance to the Issuer for itself.

If the Trustee holds any moneys in respect of Notes, or Coupons that have become void or in respect of which claims have become prescribed, the Trustee shall hold them on these trusts.

7.2 Accumulation: If the amount of the moneys at any time available for payment in respect of the Notes under sub-Clause 7.1 is less than 10 per cent. of the nominal amount of the Notes then outstanding, the Trustee may, at its discretion, invest such moneys. The Trustee may retain such investments and accumulate the resulting income until the investments and the accumulations, together with any other funds for the time being under its control and available for such payment, amount to at least 10 per cent. of the nominal amount of the Notes then outstanding and then such investments, accumulations and funds (after deduction of, or provision for, any applicable taxes) shall be applied as specified in sub-Clause 7.1.

7.3 Investment: Moneys held by the Trustee may be invested in its name or under its control in any investments or other assets anywhere, whether or not they produce income, or deposited in its name or under its control at such bank or other financial institution in such currency as the Trustee may, in its absolute discretion, think fit. If that bank or financial institution is the Trustee or a subsidiary, holding or associated company of the Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer. The Trustee may at any time vary or transpose any such investments or assets or convert any moneys so deposited into any other currency, and shall not be responsible for any resulting loss, whether by depreciation in value, change in exchange rates or otherwise.

8 Enforcement

8.1 Proceedings brought by the Trustee: Subject to Condition 10, at any time after the Notes of any Series shall have become immediately due and repayable, the Trustee may at its discretion and without further notice take such proceedings, steps or actions as it may think fit against the Issuer to enforce repayment thereof together with premium (if any) and accrued interest and any other moneys payable pursuant to this Trust Deed.

8.2 Proof of default: Should the Trustee take legal proceedings against the Issuer to enforce any of the provisions of this Trust Deed:

8.2.1 proof therein that as regards any specified Note the Issuer has made default in paying any principal, premium or interest due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Notes which are then due and repayable and

8.2.2 proof therein that as regards any specified Coupon the Issuer has made default in paying any interest due in respect of such Coupon shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Coupons which are then due and payable.

9 Proceedings

9.1 Action taken by Trustee: The Trustee shall not be bound to take any such proceedings, steps or actions as are mentioned in sub-Clause 8.1 unless respectively directed or requested to do so (i) by an Extraordinary Resolution or (ii) in writing by the holders of at least one-quarter in nominal amount of the Notes of the relevant Series then outstanding and in either case then only if it shall be indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing (including the cost of using its management's time and/or other internal resources calculated using its normal hourly rates in force from time to time).

9.2 Trustee only to enforce: Only the Trustee may enforce the provisions of this Trust Deed. No holder shall be entitled to proceed directly against the Issuer to enforce the performance of any of the provisions of this Trust Deed unless the Trustee having become bound as aforesaid to take proceedings fails to do so within a reasonable period and such failure shall be continuing.

10 Covenants and Warranties

So long as any Note is outstanding, the Issuer shall:

10.1 Books of Account: keep, and procure that each of its Subsidiaries keeps, proper books of account and, at any time after an Event of Default or Potential Event of Default has occurred or if the Trustee reasonably believes that such an event has occurred, so far as permitted by applicable law, allow, and procure that each such subsidiary shall allow, the Trustee and anyone appointed by it to whom the Issuer and/or the relevant Subsidiary has no reasonable objection, access to its books of account at all reasonable times during normal business hours

10.2 Notice of Events of Default: notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default or Potential Event of Default

10.3 Information: so far as permitted by applicable law, give the Trustee such information as it reasonably requires to perform its functions

10.4 Financial Statements etc.: send to the Trustee at the time of their issue and in the case of annual financial statements in any event within 180 days of the end of each financial year 3 copies in English of every balance sheet, profit and loss account, report or other notice,

statement or circular issued, or that legally or contractually should be issued, to the members or creditors (or any class of them) of the Issuer generally in their capacity as such

- 10.5 Certificate of Authorised Persons:** send to the Trustee, within 14 days of its annual audited financial statements being made available to its members, and also within 14 days of any request by the Trustee a certificate of the Issuer signed by any two Authorised Persons that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a date (the “**Certification Date**”), not more than 5 days before the date of the certificate, no Event of Default or Potential Event of Default or other breach of this Trust Deed had occurred since the Certification Date of the last such certificate or (if none) the date of this Trust Deed or, if such an event had occurred, giving details of it
- 10.6 Notices to Noteholders:** send to the Trustee at least 48 hours before the publication, the form of each notice to be given to Noteholders and, once given, 2 copies of each such notice, such notice to be in a form approved by the Trustee (such approval, unless so expressed, not to constitute approval for the purposes of section 21 of the FSMA of any such notice which is a communication within the meaning of section 21 of the FSMA)
- 10.7 Further Acts:** so far as permitted by applicable law, do such further things as may be necessary in the opinion of the Trustee to give effect to this Trust Deed
- 10.8 Notice of Late Payment:** forthwith upon request by the Trustee give notice to the Noteholders of any unconditional payment to the Issuing and Paying Agent or the Trustee of any sum due in respect of the Notes or Coupons made after the due date for such payment
- 10.9 Listing and Trading:** use all reasonable endeavours to maintain the listing of the Notes on the official list of the Financial Conduct Authority acting under Part VI of the FSMA and the trading of such Notes on the Market but, if it is unable to do so, having used such endeavours, or if the maintenance of such listing or trading is agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the Noteholders would not be thereby materially prejudiced, instead use all reasonable endeavours to obtain and maintain a listing of the Notes on another stock exchange and/or admission to another market, in each case approved in writing by the Trustee
- 10.10 Change in Agents:** give at least 14 days’ prior notice to the Noteholders of any future appointment, resignation or removal of an Agent or of any change by an Agent of its specified office and not make any such appointment or removal without the Trustee’s written approval
- 10.11 Provision of Legal Opinions:** procure the delivery of legal opinions addressed to the Trustee dated the date of such delivery, in form and content acceptable to the Trustee:
- 10.11.1** from Linklaters LLP (or such other firm as the Trustee may nominate) as to the laws of England on each update of the Programme and on the date of any amendment to this Trust Deed
- 10.11.2** from legal advisers, reasonably acceptable to the Trustee as to such law as may reasonably be requested by the Trustee, on the issue date for the Notes in the event of a proposed issue of Notes of such a nature and having such features as might lead the Trustee to conclude that it would be prudent, having regard to such nature and features, to obtain such legal opinion(s) or in the event that the Trustee considers it prudent in view of a change (or proposed change) in (or in the interpretation or application of) any applicable law, regulation or circumstance affecting the Issuer, the Trustee, the Notes, the Certificates, the Coupons, the Talons, this Trust Deed or the Agency Agreement and

10.11.3 on each occasion on which a legal opinion is given to any Dealer in relation to any Notes pursuant to the Dealer Agreement from the legal adviser giving such opinion

- 10.12 Notes Held by Issuer etc.:** send to the Trustee as soon as practicable after being so requested by the Trustee a certificate of the Issuer signed by any two Authorised Persons stating the number of Notes held at the date of such certificate by or on behalf of the Issuer or, as the case may be, its Subsidiaries
- 10.13 Requisite Permission – Senior Non-Preferred Notes:** procure that no redemption, substitution or variation of Senior Non-Preferred Notes at the option of the Issuer or for taxation or regulatory reasons and no purchases of Senior Non-Preferred Notes by the Issuer or any of its Subsidiaries in each case in accordance with Condition 6 (c), (d), (g), (h), (i) or (m), and no modification of the Conditions or this Trust Deed in respect of any outstanding Series of Senior Non-Preferred Notes in accordance with Condition 11(a), will be made without first obtaining the permission of the Supervisory Authority in accordance with Condition 6(l)
- 10.14 Requisite Permission – Subordinated Notes:** procure that no redemption of Subordinated Notes at the option of the Issuer or for taxation or regulatory reasons and no purchases of Subordinated Notes by the Issuer or any of its Subsidiaries in each case in accordance with Condition 6 (c), (d), (f), (h) or (i), and no modification of the Conditions or this Trust Deed in respect of any outstanding Series of Subordinated Notes in accordance with Condition 11(a), will be made without first obtaining the permission of the Supervisory Authority in accordance with Condition 6(k)
- 10.15 Material Subsidiaries:** give to the Trustee within 14 days of its annual audited financial statements being made available to its members, and also within 28 days of a request by the Trustee, a certificate by the Auditors listing those Subsidiaries of the Issuer that as at the last day of the last financial year of the Issuer or as at the date specified in such request were Material Subsidiaries
- 10.16 Negative Pledge:** give written notice to the Trustee promptly upon resolving to create any Security Interest within Condition 4(a)
- 10.17 Copies of Documents etc:** promptly provide the Trustee with copies of all supplements and/or amendments and/or restatements of the Dealer Agreement
- 10.18 Clearing System:** use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg and/or any other clearing system (as the case may be) issue(s) any certificate or other document requested by the Trustee as soon as practicable after such request
- 10.19 Obligations under the Agency Agreement:** comply with and perform all its obligations under the Agency Agreement and procure that the Issuing and Paying Agent, the Registrar, any Transfer Agent, the Calculation Agent and the other Paying Agents comply with and perform all their respective obligations thereunder and any notice given by the Trustee pursuant to sub-Clause 2.4 and not make any amendment or modification to such Agreement without the prior written approval of the Trustee
- 10.20 Inspection etc:** use all reasonable endeavours to procure that each of the Paying Agents, the Transfer Agents, the Calculation Agent and the Registrar makes available for inspection by Noteholders and Couponholders at their specified offices copies of these presents, the Agency Agreement and the then latest audited balance sheet and profit and loss account (consolidated if applicable) of the Issuer

10.21 Authorisation: ensure that-

10.21.1 the issue of the Notes and the borrowing thereby constituted is within the power of the Issuer and its directors and the proceeds of the Notes will be used for the general purposes of the Issuer's business

10.21.2 the Issuer is authorised for the purposes of the Act and

10.21.3 the issue and borrowing referred to in sub-Clause 10.21.1 will not cause any limit placed on the powers of the Issuer and its directors whether imposed by statute (including, but not confined to, any limits under the Act), regulation, agreement, the Memorandum and Rules of the Issuer or otherwise to be exceeded.

10.22 Issuer Information: so far as permitted by applicable law, provide the Trustee with such information as the Trustee reasonably requires so as to enable the Trustee to determine whether and in what amount the Trustee is obliged, in respect of payments to be made by the Trustee pursuant to the Transaction Documents, to withhold or deduct any FATCA Withholding Tax.

11 Remuneration and Indemnification of the Trustee

11.1 Normal Remuneration: So long as any Note is outstanding the Issuer shall pay the Trustee as remuneration for its services as Trustee such sum on such dates in each case as they may from time to time agree. Such remuneration shall accrue from day to day from the date of this Trust Deed. However, if any payment to a Noteholder or Couponholder of moneys due in respect of any Note or Coupon is improperly withheld or refused, such remuneration shall again accrue as from the date of such withholding or refusal until payment to such Noteholder or Couponholder is duly made. The Issuer shall in addition pay to the Trustee an amount equal to the amount of any VAT chargeable in respect of its remuneration under this Trust Deed.

11.2 Extra Remuneration: If an Event of Default or Potential Event of Default shall have occurred, the Issuer agrees that the Trustee shall be entitled to be paid additional remuneration, which may be calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee considers it expedient or necessary or is requested by the Issuer to undertake duties that they both agree to be of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Trust Deed, the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time). In the event of the Trustee and the Issuer failing to agree as to any of the matters in this sub-Clause (or as to such sums referred to in sub-Clause 11.1), such matters shall be determined by an investment bank or other person (acting as an expert) selected by the Trustee and approved by the Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and such investment bank's or other person's fee shall be borne by the Issuer. The determination of such investment bank or other person shall be conclusive and binding on the Issuer, the Trustee, the Noteholders and the Couponholders.

11.3 Expenses: The Issuer shall also on demand by the Trustee pay or discharge all costs, charges, liabilities and expenses properly incurred by the Trustee in the preparation and execution of this Trust Deed and the performance of its functions under this Trust Deed including, but not limited to, legal and travelling expenses and any stamp, documentary or other taxes or duties paid or payable by the Trustee in connection with any action taken or

contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to this Trust Deed, the Notes, the Coupons or the Talons. The rate of interest applicable to such payments shall be at a rate equivalent to the Trustee's cost of borrowing and interest shall accrue:

11.3.1 in the case of payments made by the Trustee prior to the date of the demand, from the date which the payment was made or such later date as specified in such demand; or

11.3.2 in the case of payments made by the Trustee on or after the date of the demand, from the date specified in such demand, which date shall not be a date earlier than the date such payments are made.

A certificate from the Trustee as to the Trustee's cost of borrowing on any particular date shall be conclusive and binding on the Issuer. All remuneration payable to the Trustee shall carry interest at the rate specified in this clause 11.3 from the due date thereof.

11.4 Indemnity: The Issuer will on demand by the Trustee indemnify it in respect of Amounts or Claims paid or incurred by it in acting as trustee under this Trust Deed (including (1) any Agent/Delegate Liabilities and (2) in respect of disputing or defending any Amounts or Claims made against the Trustee or any Agent/Delegate Liabilities). The Issuer will on demand by such agent or delegate indemnify it against such Agent/Delegate Liabilities. "**Amounts or Claims**" are losses, liabilities, costs, claims, actions, demands or expenses and "**Agent/Delegate Liabilities**" are Amounts or Claims which the Trustee is or would be obliged to pay or reimburse to any of its agents or delegates appointed pursuant to this Trust Deed. The Contracts (Rights of Third Parties) Act 1999 applies to this sub-Clause 11.4.

11.5 Continuing Effect: Sub-Clauses 11.3 and 11.4 shall continue in full force and effect as regards the Trustee even if it no longer is Trustee.

11.6 Payments: All payments to be made by the Issuer to the Trustee under this Trust Deed shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any relevant jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amount as will, after such deduction or withholding has been made, leave the Trustee with the full amount which would have been received by it had no such withholding or deduction been required.

12 Provisions supplemental to the Trustee Act 1925 and the Trustee Act 2000

12.1 Advice: The Trustee may act on the opinion or advice of, or information obtained from, any expert, or any document provided by a relevant clearing system in accordance with its usual procedures. and shall not be responsible to anyone for any loss occasioned by so acting whether such advice or document is obtained or addressed to the Issuer, the Trustee or any other person. Any such opinion, advice, information or document may be sent or obtained by letter, telex or fax (or, in the case of documents provided by a relevant clearing system, obtained through Euroclear's EasyWay or Clearstream, Luxembourg's Xact Web Portal system) and the Trustee shall not be liable to anyone for acting in good faith on any opinion, advice, information or document purporting to be conveyed by such means even if it contains some error or is not authentic. The Trustee may rely without liability to Noteholders or Couponholders on any certificate or report prepared by the Auditors pursuant to the Conditions and/or the Trust Deed, whether or not addressed to the Trustee and whether or

not the Auditor's liability in respect thereof is limited by a monetary cap or otherwise and shall be obliged to do so where the certificate or report is delivered pursuant to the obligation of the Issuer to procure such delivery under the Conditions; any such certificate shall be conclusive and binding on the Issuer, the Trustee, the Noteholders and the Couponholders.

- 12.2 Trustee to Assume Performance:** The Trustee need not notify anyone of the execution of this Trust Deed or do anything to find out if an Event of Default, Potential Event of Default, Taxation Event, Capital Disqualification Event or Loss Absorption Disqualification Event has occurred. Until it has actual knowledge or express notice to the contrary, the Trustee may assume that no such event has occurred and that the Issuer is performing all its obligations under this Trust Deed, the Notes, the Coupons and the Talons.
- 12.3 Resolutions of Noteholders:** The Trustee shall not be responsible for having acted in good faith on a resolution purporting (i) to have been passed at a meeting of Noteholders in respect of which minutes have been made and signed or (ii) to be a written resolution or electronic consent made in accordance with Schedule 3, even if it is later found that there was a defect in the constitution of the meeting or the passing of the resolution or that the resolution was not valid or binding on the Noteholders or Couponholders.
- 12.4 Certificate Signed by Authorised Persons:** If the Trustee, in the exercise of its functions, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of that act a certificate signed by any two Authorised Persons of the Issuer as to that fact or to the effect that, in their opinion, that act is expedient and the Trustee need not call for further evidence and shall not be responsible for any loss occasioned by acting on such a certificate.
- 12.5 Deposit of Documents:** The Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof. The Trustee is not obliged to appoint a custodian of securities payable to bearer.
- 12.6 Discretion:** The Trustee shall have absolute and uncontrolled discretion as to the exercise of its functions and shall not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience that may result from their exercise or non-exercise.
- 12.7 Agents:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money).
- 12.8 Delegation:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may delegate to any person on any terms (including power to sub-delegate) all or any of its functions.
- 12.9 Nominees:** In relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its nominee on any terms.
- 12.10 Forged Notes:** The Trustee shall not be liable to the Issuer or any Noteholder or Couponholder by reason of having accepted as valid or not having rejected any Note, Certificate, Coupon or Talon purporting to be such and later found to be forged or not authentic.

- 12.11 Confidentiality:** Unless ordered to do so by a court of competent jurisdiction, the Trustee shall not be required to disclose to any Noteholder or Couponholder any confidential financial or other information made available to the Trustee by the Issuer.
- 12.12 Determinations Conclusive:** As between itself and the Noteholders and Couponholders, the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee, the Noteholders and the Couponholders.
- 12.13 Currency Conversion:** Where it is necessary or desirable to convert any sum from one currency to another, it shall (unless otherwise provided hereby or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified shall be binding on the Issuer, the Noteholders and the Couponholders.
- 12.14 Events of Default:** The Trustee may determine whether or not an Event of Default or Potential Event of Default is in its opinion capable of remedy and/or make such other determinations as required by Condition 10. Any such determination shall be conclusive and binding on the Issuer, the Noteholders and the Couponholders.
- 12.15 Payment for and Delivery of Notes:** The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, any exchange of Notes or the delivery of Notes to the persons entitled to them.
- 12.16 Notes Held by the Issuer etc.:** In the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate under sub-Clause 10.12) that no Notes are for the time being held by or on behalf of the Issuer, or its Subsidiaries.
- 12.17 Legal Opinions:** The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Notes or for checking or commenting upon the content of any such legal opinion.
- 12.18 Programme Limit:** The Trustee shall not be concerned, and need not enquire, as to whether or not any Notes are issued in breach of the Programme Limit.
- 12.19 Responsibility for agents etc.:** If the Trustee exercises reasonable care in selecting any custodian, agent, delegate or nominee appointed under this clause (an “**Appointee**”), it will not have any obligation to supervise the Appointee or be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee’s misconduct or default or the misconduct or default of any substitute appointed by the Appointee.
- 12.20 Entitlement to Withhold:** In the event that the Trustee is obliged by applicable law to withhold or deduct FATCA Withholding Tax in respect of payments to be made pursuant to the Transaction Documents, the Trustee shall be entitled to deduct FATCA Withholding Tax and shall have no obligation to gross-up any payment hereunder or to pay any additional amount as a result of such FATCA Withholding Tax.
- 12.21 Illegality:** No provision of this Trust Deed or the Conditions shall require the Trustee to do anything which may in its opinion be illegal or contrary to applicable law or regulation.
- 12.22 Charges:** Any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and

other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with the Trust Deed, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person.

12.23 Financial Liability: Nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not assured to it.

12.24 Determining suitability of Indemnity or Security: When determining whether an indemnity or any security is satisfactory to it, the Trustee shall be entitled to evaluate its risk in given circumstances by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk however remote, of any award of damages against it in England or elsewhere.

12.25 Noteholder Indemnity or Security: The Trustee shall be entitled to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

13 Trustee liable for negligence

Section 1 of the Trustee Act 2000 shall not apply to any function of the Trustee, provided that if the Trustee fails to show the degree of care and diligence required of it as trustee, due regard being given to the provisions hereof conferring on it duties, powers and discretion, nothing in this Trust Deed shall relieve or indemnify it from or against any liability that would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty.

14 Waiver

The Trustee may, without the consent of the Noteholders or Couponholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the Noteholders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to it, any breach or proposed breach by the Issuer of this Trust Deed or the Conditions or determine that an Event of Default or Potential Event of Default shall not be treated as such provided that the Trustee shall not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Condition 10. No such direction or request shall affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, shall be notified to the Noteholders as soon as practicable.

15 Trustee not precluded from entering into contracts

The Trustee and any other person, whether or not acting for itself, may acquire, hold or dispose of any Note, Coupon, Talon or other security (or any interest therein) of the Issuer or any other person, may enter into or be interested in any contract or transaction with any such person and may act on, or as depository or agent for, any committee or body of holders of any securities of any such person in each case with the same rights as it would have had if the Trustee were not acting as Trustee and need not account for any profit.

16 Modification and Substitution

16.1 Modification: The Trustee may agree without the consent of the Noteholders or Couponholders to any modification to this Trust Deed which is in its opinion of a formal, minor or technical nature or to correct a manifest error. The Trustee may also so agree to any modification to this Trust Deed that is in its opinion not materially prejudicial to the interests of the Noteholders, but such power does not extend to any such modification as is mentioned in the proviso to paragraph 2 of Schedule 3. In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments in the circumstances and as otherwise set out in Condition 5(i) without the consent of the Noteholders or Couponholders. Any such modification shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification will be notified to the Noteholders as soon as practicable.

To the extent applicable to the Subordinated Notes and/or the Senior Non-Preferred Notes, no modification to the Conditions or any other provisions of this Trust Deed shall become effective unless (if and to the extent required at the relevant time by the Supervisory Authority) the Issuer shall have given at least 30 days' prior written notice of such modification to, and received the Supervisory Permission therefor from, the Supervisory Authority (or such other period of notice as the Supervisory Authority may from time to time require or accept).

16.2 Substitution, Amalgamation and Transfer of Engagement:

16.2.1 Substitution: The Trustee may, without the consent of the Noteholders or Couponholders, agree, if it is satisfied that to do so would not be materially prejudicial to the interests of the Noteholders, to the substitution of a Successor in Business to the Issuer or any Subsidiary of the Issuer or a subsidiary of a Successor in Business to the Issuer (the "**Substituted Obligor**"), (not being in any such case a building society formed by the amalgamation of the Issuer and one or more other building societies pursuant to Section 93 of the Act or a building society to which the Issuer has transferred its engagements pursuant to Section 94 of the Act or the successor in accordance with Sections 97 to 102D or other applicable provisions of the Act) in place of the Issuer (or of any previous substitute under this sub-Clause) as the principal debtor under this Trust Deed, the Notes, the Coupons and the Talons provided that:

- (i) a deed is executed or undertaking given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by this Trust Deed, the Notes, the Coupons and the Talons (with consequential amendments as the Trustee may reasonably deem appropriate) as if the Substituted Obligor had been named in this Trust Deed, the Notes, the Certificates, the Coupons and the Talons as the principal

debtor in place of the Issuer provided that (in the case of Subordinated Notes or Senior Non-Preferred Notes) the obligations of such Substituted Obligor shall rank on a basis equivalent to that in respect of the Issuer's obligations in respect of Subordinated Notes or the Senior Non-Preferred Notes, as the case may be, under this Trust Deed

- (ii) if the Substituted Obligor is subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the "**Substituted Territory**") other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the "**Issuer's Territory**"), the Substituted Obligor shall (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to Condition 8 with the substitution for the references in that Condition to the Issuer's Territory of references to the Substituted Territory whereupon this Trust Deed, the Notes, the Certificates, the Coupons and the Talons shall be read accordingly
- (iii) if any two directors of the Substituted Obligor certify that it will be solvent immediately after such substitution, the Trustee need not have regard to the Substituted Obligor's financial condition, profits or prospects or compare them with those of the Issuer
- (iv) the Issuer and the Substituted Obligor comply with such other requirements as the Trustee may reasonably direct in the interests of the Noteholders
- (v) if the Substituted Obligor is a Subsidiary of the Issuer or a subsidiary of a Successor in Business to the Issuer, the obligations of the Substituted Obligor under this Trust Deed, the Notes, and the Coupons are guaranteed by the Issuer or the Successor in Business to the Issuer, as the case may be, in such form as the Trustee may require
- (vi) in the case of Subordinated Notes and Senior Non-Preferred Notes, the obligations of such Successor in Business to the Issuer or Subsidiary of the Issuer or subsidiary of a Successor in Business to the Issuer, as the case may be, and any guarantee referred to in paragraph (v) above shall rank equivalent to that in respect of the Issuer's applicable obligations in respect of such Notes and Coupons and
- (vii) in the case of Subordinated Notes, any substitution pursuant to this clause shall require and be subject to receipt of permission from the Supervisory Authority.

16.2.2 Release of Substituted Issuer: An agreement by the Trustee pursuant to sub-Clause 16.2.1 shall, if so expressed, release the Issuer (or a previous substitute) from any or all of its obligations under this Trust Deed, the Notes, the Coupons and the Talons. Notice of the substitution shall be given to the Noteholders within 14 days of the execution of such documents and compliance with such requirements.

16.2.3 Completion of Substitution: On completion of the formalities set out in sub-Clause 16.2.1, the Substituted Obligor shall be deemed to be named in this Trust Deed, the Notes, the Certificates, the Coupons and the Talons as the principal debtor in place of the Issuer (or of any previous substitute) and this Trust Deed, the Notes, the

Certificates, the Coupons and the Talons shall be deemed to be amended as necessary to give effect to the substitution.

16.2.4 Amalgamation etc: If the Issuer shall amalgamate with one or more other building societies under Section 93 of the Act or transfer all or substantially all (being 90 per cent. or more of the Issuer's engagements including its obligations under the Notes, this Trust Deed and the Agency Agreement) of its engagements to another building society under Section 94 of the Act or transfer its business to a successor in accordance with Sections 97 to 102D of the Act, the successor will, pursuant to such provisions, automatically be substituted in place of the Issuer as principal debtor under this Trust Deed, the Notes and Coupons without prior approval thereof being required from the Noteholders, the Couponholders or the Trustee, provided that in the case of Subordinated Notes and Senior Non-Preferred Notes:

- (a) in the case of a proposed transfer in accordance with Section 97 and other such applicable provisions, either (1) the Issuer satisfies the Trustee by a certificate signed by two Authorised Persons that the successor will be or (as the case may be) remain an authorised institution under the FSMA (or any statutory modification or re-enactment thereof) or (2) such transfer is approved by an Extraordinary Resolution of the Noteholders
- (b) in connection with such transfer, any variation or supplement to the Conditions must not be one which would or might cause any of the financial resources derived by the Issuer from the issue of the Notes to which this Trust Deed relates and which comprise Tier Two Capital to be excluded from the financial resources considered appropriate by the Supervisory Authority for the purposes of paragraph 4(1) of Schedule 6 of the FSMA
- (c) the circumstances in which such variation or supplement may take place are limited to dealing with matters arising out of the procedure by which the transfer takes place and the constitution of the transferee, which variation or supplement shall be effected by the execution of a trust deed supplemental to this Trust Deed in form and substance acceptable to the Trustee and shall bind any successor as fully as if the successor had been named in this Trust Deed as the principal debtor in place of the Issuer. A memorandum of any such supplemental trust deed shall be endorsed by the Trustee on this Trust Deed and by the Issuer on the duplicate of this Trust Deed and
- (d) no variation or supplement to the terms of this Trust Deed or the Conditions shall be made which would or might cause:
 - A.** any qualifying own funds or capital resources of the Issuer for the purposes of the Applicable Rules prevailing at that time to be excluded from such own funds or capital resources or
 - B.** any liabilities of the Issuer which, for the purposes of the Loss Absorption Regulations (as defined in the Conditions) prevailing at that time, qualify towards the Issuer's minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments to be excluded from such minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments.

16.3 Transfer of engagements: The Issuer hereby covenants with the Trustee that it will not enter into any arrangement for the transfer of its engagements to another building society pursuant to Section 94 of the Act unless it transfers all or substantially all (being 90 per cent. or more) of its engagements including its obligations under the Notes, the Trust Deed and the Agency Agreement to such building society or, in relation to any smaller part of its engagements, such transfer has been previously approved by the Trustee in writing or by an Extraordinary Resolution.

17 Appointment, Retirement and Removal of the Trustee

17.1 Appointment: The Issuer has the power of appointing new trustees but no one may be so appointed unless previously approved by an Extraordinary Resolution. A trust corporation shall at all times be a Trustee and may be the sole Trustee. Any appointment of a new Trustee shall be notified by the Issuer to the Noteholders as soon as practicable.

17.2 Retirement and Removal: Any Trustee may retire at any time on giving at least 3 months' written notice to the Issuer without giving any reason or being responsible for any costs occasioned by such retirement and the Noteholders may by Extraordinary Resolution remove any Trustee provided that the retirement or removal of a sole trust corporation shall not be effective until a trust corporation is appointed as successor Trustee. If a sole trust corporation gives notice of retirement or an Extraordinary Resolution is passed for its removal, it shall use all reasonable endeavours to procure that another trust corporation be appointed as Trustee.

17.3 Co-Trustees: The Trustee may, despite sub-Clause 17.1, by written notice to the Issuer appoint anyone to act as an additional Trustee jointly with the Trustee:

17.3.1 if the Trustee considers the appointment to be in the interests of the Noteholders and/or the Couponholders

17.3.2 to conform with a legal requirement, restriction or condition in a jurisdiction in which a particular act is to be performed or

17.3.3 to obtain a judgment or to enforce a judgment or any provision of this Trust Deed in any jurisdiction.

Subject to the provisions of this Trust Deed the Trustee may confer on any person so appointed such functions as it thinks fit. The Trustee may by written notice to the Issuer, and that person remove that person. At the Trustee's request, the Issuer shall forthwith do all things as may be required to perfect such appointment or removal and it irrevocably appoints the Trustee as its attorney in its name and on its behalf to do so.

17.4 Competence of a Majority of Trustees: If there are more than 2 Trustees the majority of them shall be competent to perform the Trustee's functions provided the majority includes a trust corporation.

18 Notes held in Clearing Systems and Couponholders

18.1 Notes Held in Clearing Systems: So long as any Global Note is, or any Notes represented by a Global Certificate are, held on behalf of a clearing system, in considering the interests of Noteholders, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Note or the Registered Notes and may consider such interests and treat such accountholders on the basis that such

accountholders or participants were the holder(s) thereof. Such information may be provided in any form including, for the avoidance of doubt, in the form of a print out of electronic records provided by the relevant clearing system (including Euroclear's EasyWay or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures.

- 18.2 Couponholders:** No notices need be given to Couponholders. They shall be deemed to have notice of the contents of any notice given to Noteholders. Even if it has express notice to the contrary, in exercising any of its functions by reference to the interests of the Noteholders, the Trustee shall assume that the holder of each Note is the holder of all Coupons and Talons relating to it.

19 Currency Indemnity

- 19.1 Currency of Account and Payment:** The Contractual Currency is the sole currency of account and payment for all sums payable by the Issuer under or in connection with this Trust Deed, the Notes and the Coupons, including damages.

- 19.2 Extent of Discharge:** An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding up or dissolution of the Issuer or otherwise), by the Trustee or any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only discharge the Issuer to the extent of the Contractual Currency amount that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

- 19.3 Indemnity:** If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed, the Notes, the Coupons, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase.

- 19.4 Indemnity Separate:** The indemnities in this Clause 19 and in sub-Clause 11.4 constitute separate and independent obligations from the other obligations in this Trust Deed, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Trustee and/or any Noteholder or Couponholder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed, the Notes and/or the Coupons or any other judgment or order.

20 Communications

- 20.1 Method:** Each communication under this Trust Deed shall be made by fax, electronic communication or otherwise in writing. Each communication or document to be delivered to any party under this Trust Deed shall be sent to that party at the fax number, postal address or electronic address, and marked for the attention of the person (if any), from time to time designated by that party to each other party for the purpose of this Trust Deed. The initial telephone number, fax number, postal address, electronic address and person so designated by the parties under this Trust Deed are set out in the Procedures Memorandum.

20.2 Deemed Receipt: Any communication from any party to any other under this Trust Deed shall be effective, (if by fax) when the relevant delivery receipt is received by the sender and (if in writing) when delivered and (if by electronic communication) when the relevant written receipt of such communication being read is given (for the avoidance of doubt an automatically generated “received” or “read” receipt will not constitute written confirmation), provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) after 5:00pm on a business day or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Trust Deed which is to be sent by fax or electronic communication will be written legal evidence.

21 Governing Law

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

Schedule 1
Part A
Form of CGN Temporary Global Note

LEEDS BUILDING SOCIETY

(Incorporated under England under the Building Societies Act 1986 (as amended))

EURO MEDIUM TERM NOTE PROGRAMME

TEMPORARY GLOBAL NOTE

Temporary Global Note No. [●]

This temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in the Second Schedule hereto of Leeds Building Society (the “**Issuer**”).

Interpretation and Definitions

References in this temporary Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended, restated, supplemented, modified or replaced from time to time, the “**Trust Deed**”)) dated 11 January 2024 between the Issuer, and The Law Debenture Trust Corporation p.l.c. as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Second Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed. If the Second Schedule hereto specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”, this temporary Global Note is a “C Rules Note”, otherwise this temporary Global Note is a “D Rules Note”.

Aggregate Nominal Amount

The aggregate nominal amount from time to time of this temporary Global Note shall be an amount equal to the aggregate nominal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Issuing and Paying Agent upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this temporary Global Note for a corresponding interest in a permanent Global Note or for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

Promise to Pay

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this temporary Global Note, upon presentation and (when no further payment is due in respect of this temporary Global Note) surrender of this temporary Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this temporary Global Note and (unless this temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate nominal amount of the Notes, together with such other

sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

On or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this temporary Global Note may be exchanged (free of charge to the holder) in whole or (in the case of a D Rules Note only) from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Issuing and Paying Agent for interests in a permanent Global Note or, if so specified in the Second Schedule hereto, for Definitive Notes in an aggregate nominal amount equal to the nominal amount of this temporary Global Note submitted for exchange provided that, in the case of any part of a D Rules Note submitted for exchange for a permanent Global Note or Definitive Notes, there shall have been Certification with respect to such nominal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Issuing and Paying Agent of a certificate or certificates with respect to one or more interests in this temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 4 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 3 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this temporary Global Note being exchanged for a permanent Global Note, such permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this temporary Global Note or a permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this temporary Global Note or the permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Second Schedule hereto.

On any exchange of a part of this temporary Global Note for an equivalent interest in a permanent Global Note, for Definitive Notes, as the case may be, the portion of the nominal amount hereof so exchanged shall be endorsed by or on behalf of the Issuing and Paying Agent in Part I of the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

Benefit of Conditions

Except as otherwise specified herein, this temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this temporary Global Note is exchanged for equivalent interests in a permanent Global Note or for Definitive Notes, the holder of this temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the permanent Global Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such permanent Global Note or Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange,

due endorsement of) a permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a D Rules Note before the Exchange Date shall only be made in relation to such nominal amount of this temporary Global Note with respect to which there shall have been Certification dated no earlier than such due date for payment.

Any payments that are made in respect of this temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it to or to the order of the Issuing and Paying Agent or any other Paying Agent provided for in the Conditions. If any payment in full of principal is made in respect of any Note represented by this temporary Global Note, the portion of this temporary Global Note representing such Note shall be cancelled and the amount so cancelled shall be endorsed by or on behalf of the Issuing and Paying Agent in the First Schedule hereto (such endorsement being prima facie evidence that the payment in question has been made) whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed. If any other payments are made in respect of the Notes represented by this temporary Global Note, a record of each such payment shall be endorsed by or on behalf of the Issuing and Paying Agent on an additional schedule hereto (such endorsement being prima facie evidence that the payment in question has been made).

For the purposes of any payments made in respect of this temporary Global Note, the words "in the relevant place of presentation" shall not apply in the definition of "**business day**" in Condition 7(h).

Cancellation

Cancellation of any Note represented by this temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of this temporary Global Note representing such Note on its presentation to or to the order of the Issuing and Paying Agent for endorsement in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

Notices

Notices required to be given in respect of the Notes represented by this temporary Global Note may be given by their being delivered (so long as this temporary Global Note is held on behalf of Euroclear and Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this temporary Global Note, rather than by publication as required by the Conditions and shall be deemed to have been given on the date of delivery to Euroclear and Clearstream, Luxembourg or such other clearing system, as the case may be, provided that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

No provision of this temporary Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent.

This temporary Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

LEEDS BUILDING SOCIETY

By:

CERTIFICATE OF AUTHENTICATION

This temporary Global Note is authenticated
by or on behalf of the Issuing and Paying Agent.

HSBC BANK plc

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

The First Schedule

Nominal amount of Notes represented by this temporary Global Note

The following (i) issue of Notes initially represented by this temporary Global Note, (ii) exchanges of the whole or a part of this temporary Global Note for interests in a permanent Global Note for Definitive Notes and/or (iii) cancellations or forfeitures of interests in this temporary Global Note have been made, resulting in the nominal amount of this temporary Global Note specified in the latest entry in the fourth column below:

Date	Amount of decrease in nominal amount of this temporary Global Note	Reason for decrease in nominal amount of this temporary Global Note (exchange or cancellation)	Nominal amount of this temporary Global Note on issue or following such decrease	Notation made by or on behalf of the Issuing and Paying Agent
Issue Date	not applicable	not applicable		

The Second Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Second Schedule]

Schedule 1
Part B
Form of CGN Permanent Global Note

LEEDS BUILDING SOCIETY

(Incorporated in England under the Building Societies Act 1986 (as amended))

EURO MEDIUM TERM NOTE PROGRAMME

PERMANENT GLOBAL NOTE

Permanent Global Note No. [●]

This permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in the Third Schedule hereto of Leeds Building Society (the “**Issuer**”).

Interpretation and Definitions

References in this permanent Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended, restated, supplemented, modified or replaced from time to time, the “**Trust Deed**”)) dated 11 January 2024 between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Third Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

Aggregate Nominal Amount

The aggregate nominal amount from time to time of this permanent Global Note shall be an amount equal to the aggregate nominal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Issuing and Paying Agent upon (i) the exchange of the whole or a part of the temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this permanent Global Note upon issue), (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

Promise to Pay

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this permanent Global Note, upon presentation and (when no further payment is due in respect of this permanent Global Note) surrender of this permanent Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this permanent Global Note and (unless this permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the

calculation is made in respect of the total aggregate nominal amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

This permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes if this permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other permitted clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This permanent Global Note is exchangeable in part (provided, however, that if this permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided in the Conditions.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and, except in the case of exchange pursuant to 4 above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this permanent Global Note surrendering this permanent Global Note or, in the case of a partial exchange, presenting it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for this permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate nominal amount equal to the nominal amount of this permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this permanent Global Note), security printed and substantially in the form set out in Schedule 2 to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Third Schedule hereto.

On any exchange of a part of this permanent Global Note the portion of the nominal amount hereof so exchanged shall be endorsed by or on behalf of the Issuing and Paying Agent in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

Benefit of Conditions

Except as otherwise specified herein, this permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this permanent Global Note is exchanged for Definitive Notes, the holder of this permanent Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due presentation of this permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it to or to the order of the Issuing and Paying Agent or of any other Paying Agent provided for in the Conditions. A record of each such payment shall be endorsed on the First or Second Schedule hereto, as appropriate, by the Issuing and Paying Agent or by the relevant Paying Agent, for and on behalf of the Issuing and Paying Agent, which endorsement shall (until the contrary is proved) be prima facie evidence that the payment in question has been made.

For the purposes of any payments made in respect of this permanent Global Note, the words “in the relevant place of presentation” shall not apply in the definition of “**business day**” in Condition 7(h).

Prescription

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

Meetings

For the purposes of any meeting of Noteholders, the holder of this permanent Global Note shall (unless this permanent Global Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

Cancellation

Cancellation of any Note represented by this permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of this permanent Global Note representing such Note on its presentation to or to the order of the Issuing and Paying Agent for endorsement in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

Purchase

Notes may only be purchased by the Issuer or any of its Subsidiaries if they are purchased together with the right to receive all future payments of interest.

Issuer's Options

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required.

Noteholders' Options

Any option of the Noteholders provided for in the Conditions may be exercised by the holder of this permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting this permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation accordingly in the Fourth Schedule hereto.

Notices

Notices required to be given in respect of the Notes represented by this permanent Global Note may be given by their being delivered (so long as this permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this permanent Global Note, rather than by publication as required by the Conditions and shall be deemed to have been given on the date of delivery to Euroclear and Clearstream, Luxembourg or such other clearing system, as the case may be, provided that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

Negotiability

This permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions
- 2** the holder of this permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this permanent Global Note and the Issuer has waived against such holder and any previous holder of this permanent Global Note all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this Global Note and
- 3** payment upon due presentation of this permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this permanent Global Note.

No provisions of this permanent Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent.

This permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

LEEDS BUILDING SOCIETY

By:

CERTIFICATE OF AUTHENTICATION

This permanent Global Note is authenticated
by or on behalf of the Issuing and Paying Agent.

HSBC BANK plc

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

The First Schedule

Nominal amount of Notes represented by this permanent Global Note

The following (i) issues of Notes initially represented by this permanent Global Note, (ii) exchanges of interests in a temporary Global Note for interests in this permanent Global Note, (iii) exchanges of the whole or a part of this permanent Global Note for Definitive Notes, (iv) cancellations of interests in this permanent Global Note and/or (v) payments of amounts payable upon redemption in respect of this permanent Global Note have been made, resulting in the nominal amount of this permanent Global Note specified in the latest entry in the fourth column:

Date	Amount of increase/decrease in nominal amount of this permanent Global Note	Reason for increase/decrease in nominal amount of this permanent Global Note (initial issue, exchange, cancellation or payment, stating amount of payment made)	Nominal amount of this permanent Global Note following such increase/decrease	Notation made by or on behalf of the Issuing and Paying Agent
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The Second Schedule

Payments of Interest

The following payments of interest or Interest Amount in respect of this Permanent Global Note have been made:

Due date of payment	Date of payment	Amount of interest	Notation made by or on behalf of the Issuing and Paying Agent
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The Third Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Third Schedule.]

The Fourth Schedule

Exercise of Noteholders' Option

The following exercises of the option of the Noteholders provided for in the Conditions have been made in respect of the stated nominal amount of this permanent Global Note:

Date of exercise	Nominal amount of this permanent Global Note in respect of which exercise is made	Date of which exercise of such option is effective	Notation made by or on behalf of the Issuing and Paying Agent
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Schedule 1
Part C
Form of NGN Temporary Global Note

LEEDS BUILDING SOCIETY

(Incorporated in England under the Building Societies Act 1986 (as amended))

EURO MEDIUM TERM NOTE PROGRAMME

TEMPORARY GLOBAL NOTE

Temporary Global Note No. [●]

This temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in the Schedule hereto of Leeds Building Society (the “**Issuer**”).

Interpretation and Definitions

References in this temporary Global Note to the “**Conditions**” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended, restated or supplemented, modified or replaced from time to time, the “**Trust Deed**”) dated 11 January 2024 between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed. If the Schedule hereto specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”, this temporary Global Note is a “C Rules Note”, otherwise this temporary Global Note is a “D Rules Note”.

Aggregate Nominal Amount

The aggregate nominal amount from time to time of this temporary Global Note shall be an amount equal to the aggregate nominal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together the “**relevant Clearing Systems**”), which shall be completed and/or amended, as the case may be, upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this temporary Global Note for a corresponding interest in the interests recorded in the records of the relevant Clearing Systems in a permanent Global Note or, for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

The records of the relevant Clearing Systems (which expression in this temporary Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the nominal amount of the Notes represented by this temporary Global Note and, for these purposes, a statement (which statement shall be available to the bearer upon request) issued by a relevant Clearing System stating the nominal amount of Notes represented by the temporary Global Note at any time shall be conclusive evidence of the records of the relevant Clearing Systems at that time.

Promise to Pay

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this temporary Global Note, upon presentation and (when no further payment is due in respect of this temporary Global Note) surrender of this temporary Global Note, on the Maturity Date (or on such

earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this temporary Global Note and (unless this temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate nominal amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

On or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this temporary Global Note may be exchanged (free of charge to the holder) in whole or (in the case of a D Rules Note only) from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Issuing and Paying Agent for interests recorded in the records of the relevant Clearing Systems in a permanent Global Note or, if so specified in Part A of the Schedule hereto, for Definitive Notes in an aggregate nominal amount equal to the nominal amount of this temporary Global Note submitted for exchange provided that, in the case of any part of a D Rules Note submitted for exchange for interests recorded in the records of the relevant Clearing Systems in a permanent Global Note or Definitive Notes, there shall have been Certification with respect to such nominal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Issuing and Paying Agent of a certificate or certificates with respect to one or more interests in this temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 4 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 3 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this temporary Global Note being exchanged for a permanent Global Note, such permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this temporary Global Note or a permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this temporary Global Note or the permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this temporary Global Note for an equivalent interest recorded in the records of the relevant Clearing Systems in a permanent Global Note or for Definitive Notes, as the case may be, the Issuer shall procure that details of the portion of the nominal amount hereof so exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by an amount equal to such portion so exchanged.

Benefit of Conditions

Except as otherwise specified herein, this temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this temporary Global Note is exchanged for equivalent interests in a permanent Global Note or for Definitive Notes as the case may be, the holder of this temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the permanent Global Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such permanent Global Note or Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, a corresponding entry being recorded in the records of the relevant Clearing Systems) a permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a D Rules Note before the Exchange Date shall only be made in relation to such nominal amount of this temporary Global Note with respect to which there shall have been Certification dated no earlier than such due date for payment.

Any payments that are made in respect of this temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it to or to the order of the Issuing and Paying Agent or any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. If any payment in full or in part of principal is made in respect of any Note represented by this temporary Global Note the Issuer shall procure that details of such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed. If any other payments are made in respect of the Notes represented by this temporary Global Note, the Issuer shall procure that a record of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems.

For the purposes of any payments made in respect of this temporary Global Note, the words "in the relevant place of presentation" shall not apply in the definition of "**business day**" in Condition 7(h).

Cancellation

On cancellation of any Note represented by this temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing systems and, upon any such entry being made, the nominal amount of the Note recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by the aggregate nominal amount of the Notes so cancelled.

Notices

Notices required to be given in respect of the Notes represented by this temporary Global Note may be given by their being delivered (so long as this temporary Global Note is held on behalf of

Euroclear and Clearstream, Luxembourg or any other permitted clearing system) to Euroclear, Clearstream, Luxembourg or such other permitted clearing system, as the case may be, or otherwise to the holder of this temporary Global Note, rather than by publication as required by the Conditions and shall be deemed to have been given on the date of delivery to Euroclear and Clearstream, Luxembourg or such other clearing system, as the case may be, provided that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

No provision of this temporary Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This temporary Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

LEEDS BUILDING SOCIETY

By:

CERTIFICATE OF AUTHENTICATION

This temporary Global Note is authenticated
by or on behalf of the Issuing and Paying Agent.

HSBC BANK plc

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

Effectuation

This temporary Global Note
is effectuated by

[COMMON SAFEKEEPER]

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule]

Schedule 1
Part D
Form of NGN Permanent Global Note

LEEDS BUILDING SOCIETY

(Incorporated in England under the Building Societies Act 1986 (as amended))

EURO MEDIUM TERM NOTE PROGRAMME

PERMANENT GLOBAL NOTE

Permanent Global Note No. [●]

This permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in the Schedule hereto of Leeds Building Society (the “**Issuer**”).

Interpretation and Definitions

References in this permanent Global Note to the “**Conditions**” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended, restated or supplemented, modified or replaced from time to time, the “**Trust Deed**”) dated 11 January 2024 between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

Aggregate Nominal Amount

The aggregate nominal amount from time to time of this permanent Global Note shall be an amount equal to the aggregate nominal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together, the “**relevant Clearing Systems**”), which shall be completed and/or amended as the case may be upon (i) the exchange of the whole or a part of the interests recorded in the records of the relevant Clearing Systems in the temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this permanent Global Note upon issue), (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

The records of the relevant Clearing Systems (which expression in this permanent Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the nominal amount of the Notes represented by this permanent Global Note and, for these purposes, a statement (which statement shall be available to the bearer upon request) issued by a relevant Clearing System stating the nominal amount of Notes represented by this permanent Global Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

Promise to Pay

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this permanent Global Note, upon presentation and (when no further payment is due in respect of

this permanent Global Note) surrender of this permanent Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this permanent Global Note and (unless this permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate nominal amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

This permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes in bearer form if this permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other permitted clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This permanent Global Note is exchangeable in part (provided, however, that if this permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided in the Conditions.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and, except in the case of exchange pursuant to 4 above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this permanent Global Note surrendering this permanent Global Note or, in the case of a partial exchange, presenting it to or to the order of the Issuing and Paying Agent. In exchange for this permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate nominal amount equal to the nominal amount of this permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this permanent Global Note), security printed and substantially in the form set out in Schedule 2 to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this permanent Global Note, the Issuer shall procure that the portion of the nominal amount hereof so exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by an amount equal to such portion so exchanged.

Benefit of Conditions

Except as otherwise specified herein, this permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this permanent Global Note is exchanged for Definitive Notes, the holder of this permanent Global Note shall in all respects be entitled to the same benefits as if it

were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due presentation of this permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of to or to the order of the Issuing and Paying Agent or any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and in the case of any payment of principal and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed.

For the purposes of any payments made in respect of this permanent Global Note, the words "in the relevant place of presentation" shall not apply in the definition of "**business day**" in Condition 7(h).

Prescription

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

Meetings

For the purposes of any meeting of Noteholders, the holder of this permanent Global Note shall (unless this permanent Global Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

Cancellation

On cancellation of any Note represented by this permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate nominal amount of the Notes so cancelled.

Purchase

Notes may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the right to receive all future payments of interest.

Issuer's Options

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders and the relevant Clearing Systems (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the Conditions,

except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the case of a partial exercise of an option, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg and shall be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion. Following the exercise of any such option, the Issuer shall procure that the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced accordingly.

Noteholders' Options

Any option of the Noteholders provided for in the Conditions may be exercised by the holder of this permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised. Following the exercise of any such option, the Issuer shall procure that the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate nominal amount stated in the relevant exercise notice.

Notices

Notices required to be given in respect of the Notes represented by this permanent Global Note may be given by their being delivered (so long as this permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg and/or an Alternative Clearing System) to Euroclear, Clearstream, Luxembourg and/or such Alternative Clearing System, as the case may be, or otherwise to the holder of this permanent Global Note, rather than by publication as required by the Conditions and shall be deemed to have been given on the date of delivery to Euroclear and Clearstream, Luxembourg or such other clearing system, as the case may be, provided that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

Negotiability

This permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions
- 2** the holder of this permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this permanent Global Note and the Issuer has waived against such holder and any previous holder of this permanent Global Note all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this permanent Global Note and
- 3** payment upon due presentation of this permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this permanent Global Note.

No provisions of this permanent Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent and effectuated by the entity appointed as common safekeeper by the relevant Clearing Systems.

This permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

LEEDS BUILDING SOCIETY

By:

CERTIFICATE OF AUTHENTICATION

This permanent Global Note is authenticated
by or on behalf of the Issuing and Paying Agent.

HSBC BANK plc

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

Effectuation

This permanent Global Note
is effectuated by

[COMMON SAFEKEEPER]

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule.]

Schedule 1
Part E
Form of Global Certificate

LEEDS BUILDING SOCIETY

(Incorporated in England under the Building Societies Act 1986 (as amended))

EURO MEDIUM TERM NOTE PROGRAMME

GLOBAL CERTIFICATE

Global Certificate No. [●]

This Global Certificate is issued in respect of the nominal amount of the Notes (the “**Notes**”) and of the Tranche and Series specified in the Schedule hereto of Leeds Building Society (the “**Issuer**”). This Global Certificate certifies that the person whose name is entered in the Register (the “**Registered Holder**”) is registered as the holder of an issue of Notes of the nominal amount, specified currency and specified denomination set out in Part A of the Schedule hereto.

Interpretation and Definitions

References in this Global Certificate to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended, restated, supplemented, modified or replaced from time to time, the “**Trust Deed**”) dated 11 January 2024 between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Trust Deed.

Promise to Pay

The Issuer, for value received, promises to pay to the holder of the Notes represented by this Global Certificate upon presentation and (when no further payment is due in respect of the Notes represented by this Global Certificate) surrender of this Global Certificate on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Global Certificate and (unless the Notes represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate nominal amount of the Notes represented by this Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions. Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.

For the purposes of this Global Certificate, (a) the holder of the Notes represented by this Global Certificate is bound by the provisions of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Notes represented by this Global Certificate, (c) this Global Certificate is evidence of entitlement only, (d) title to the Notes represented by this Global Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by this Global Certificate is entitled to payments in respect of the Notes represented by this Global Certificate.

Transfer of Notes represented by permanent Global Certificates

If the Schedule hereto states that the Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by this Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the Notes represented by this Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so
- (ii) with the consent of the Issuer or
- (iii) if principal in respect of any Notes is not paid when due

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (iii) above, the holder of the Notes represented by this Global Certificate has given the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such transfer. Where the holding of Notes represented by this Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

Meetings

For the purposes of any meeting of Noteholders, the holder of the Notes represented by this Global Certificate shall (unless this Global Certificate represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and as being entitled to one vote in respect of each integral currency unit of the specified currency of the Notes.

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar and in the case of Registered Notes held under the NSS only, effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This Global Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this Global Certificate to be signed on its behalf.

Dated as of the Issue Date.

LEEDS BUILDING SOCIETY

By:

CERTIFICATE OF AUTHENTICATION

This Global Certificate is authenticated
by or on behalf of the Registrar.

HSBC BANK plc

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

Effectuation

This Global Certificate is effectuated
by or on behalf of the Common Safekeeper

[COMMON SAFEKEEPER]

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation of Registered Notes held through the NSS only

Form of Transfer

For value received the undersigned transfers to

.....
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[•] nominal amount of the Notes represented by this Global Certificate, and all rights under them.

Dated

Signed Certifying Signature

Notes:

- (i) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Global Certificate or (if such signature corresponds with the name as it appears on the face of this Global Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- (ii) A representative of the Noteholder should state the capacity in which he signs e.g. executor.

Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Certificate as the Schedule.]

Schedule 2
Part A
Form of Bearer Note

On the front:

[Denomination]

[ISIN]

[Series]

[Certif. No.]

[Currency and denomination]

LEEDS BUILDING SOCIETY

(Incorporated in England under the Building Societies Act 1986 (as amended))

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

This Note forms one of the Series of Notes referred to above (the “**Notes**”) of Leeds Building Society (the “**Issuer**”) designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Note.

The Issuer for value received promises to pay to the bearer of this Note, on presentation and (when no further payment is due in respect of this Note) surrender of this Note on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions and (unless this Note does not bear interest) to pay interest from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

This Note shall not become valid or obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent.

In witness whereof the Issuer has caused this Note to be signed on its behalf.

Dated as of the Issue Date.

LEEDS BUILDING SOCIETY

By:

CERTIFICATE OF AUTHENTICATION

This Note is authenticated
by or on behalf of the Issuing and Paying Agent.

HSBC BANK plc

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

On the back:

Terms and Conditions of the Notes

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the relevant Final Terms shall be set out here.]

ISSUING AND PAYING AGENT

HSBC BANK plc

8 Canada Square
London E14 5HQ

PAYING AGENT

BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE ANONYME

69, route d'Esch
L-2953 Luxembourg

Schedule 2
Part B
Form of Certificate

On the front:

LEEDS BUILDING SOCIETY

(Incorporated in England under the Building Societies Act 1986 (as amended))

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

This Certificate certifies that [●] of [●] (the “**Registered Holder**”) is, as at the date hereof, registered as the holder of [nominal amount] of Notes of the Series of Notes referred to above (the “**Notes**”) of Leeds Building Society (the “**Issuer**”), designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Certificate.

The Issuer, for value received, promises to pay to the holder of the Note(s) represented by this Certificate upon presentation and (when no further payment is due in respect of the Note(s) represented by this Certificate) surrender of this Certificate on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Certificate and (unless the Note(s) represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

For the purposes of this Certificate, (a) the holder of the Note(s) represented by this Certificate is bound by the provisions of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Note(s) represented by this Certificate, (c) this Certificate is evidence of entitlement only, (d) title to the Note(s) represented by this Certificate passes only on due registration on the Register, and (e) only the holder of the Note(s) represented by this Certificate is entitled to payments in respect of the Note(s) represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

In witness whereof the Issuer has caused this Certificate to be signed on its behalf.

Dated as of the Issue Date.

LEEDS BUILDING SOCIETY

By:

CERTIFICATE OF AUTHENTICATION

This Certificate is authenticated
by or on behalf of the Registrar.

HSBC BANK plc

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

On the back:

Terms and Conditions of the Notes

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the relevant Final Terms shall be set out here.]

Form of Transfer

For value received the undersigned transfers to

.....
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] nominal amount of the Notes represented by this Certificate, and all rights under them.

Dated

Signed Certifying Signature

Notes:

- (i) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Certificate or (if such signature corresponds with the name as it appears on the face of this Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- (ii) A representative of the Noteholder should state the capacity in which he signs.

Unless the context otherwise requires capitalised terms used in this Form of Transfer have the same meaning as in the Amended and Restated Trust Deed dated 11 January 2024 (as from time to time amended, restated, supplemented, modified or replaced) between the Issuer and the Trustee.

[TO BE COMPLETED BY TRANSFEREE:

[INSERT ANY REQUIRED TRANSFEREE REPRESENTATIONS, CERTIFICATIONS, ETC.]]

ISSUING AND PAYING AGENT, TRANSFER AGENT AND REGISTRAR

HSBC BANK plc
8 Canada Square
London E14 5HQ

PAYING AGENT AND TRANSFER AGENT

BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE ANONYME

69, route d'Esch
L-2953 Luxembourg

Schedule 2
Part C
Terms and Conditions of the Notes

The Notes are constituted by an amended and restated trust deed (as further amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Trust Deed**”) dated 11 January 2024 between the Issuer and The Law Debenture Trust Corporation p.l.c. (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. An amended and restated agency agreement (as further amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 13 December 2019 has been entered into in relation to the Notes between the Issuer, the Trustee, HSBC Bank plc as initial issuing and paying agent and registrar and the other agents named in it. The issuing and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent(s)**”. Copies of the Trust Deed and the Agency Agreement are (i) available for inspection during usual business hours at the principal office of the Trustee (which, as at 11 January 2024 is at Eighth Floor, 100 Bishopsgate, London EC2N 4AG) and at the specified offices of the Paying Agents and the Transfer Agents or (ii) may be provided by email to a Noteholder following their prior written request to the Trustee, any Paying Agents or the Issuer, in any such case upon provision of proof of holding and identity (in a form satisfactory to the Trustee, the relevant Paying Agent or the Issuer, as the case may be). The applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory information service.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) relating to Notes are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

1 FORM, DENOMINATION AND TITLE

Each Series (as defined below) of Notes is issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”). Bearer Notes will be issued in the Specified Denomination(s) shown hereon. Registered Notes will be issued in multiples of the Specified Denomination shown hereon.

This Note is a Fixed Rate Note, a Fixed Rate Reset Note, a Floating Rate Note or a Zero Coupon Note, depending upon the Interest and Redemption/Payment Basis shown hereon. This Note is a Senior Preferred Note, a Senior Non-Preferred Note or a Subordinated Note, (each as defined in the Trust Deed) if so indicated in the applicable Final Terms.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of

any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 EXCHANGES OF NOTES AND TRANSFERS OF REGISTERED NOTES

(a) *Exchange of Notes*

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

(b) *Transfer of Registered Notes*

Subject as provided in Condition 2(f), Registered Notes may be transferred in whole or in part in a multiple of a Specified Denomination upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

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

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

(d) *Delivery of New Certificates*

Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for such exchange, transfer or exercise. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such

holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) *Exchange Free of Charge*

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

(f) *Closed Periods*

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption or substitution of that Note pursuant to Condition 6 or (ii) during the period of seven days ending on (and including) any Record Date.

3 STATUS

(a) *Status of Senior Preferred Notes*

The Senior Preferred Notes (being those Notes that specify their status as Senior Preferred) and the Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and, subject as provided below, shall at all times rank *pari passu* and without any preference among themselves, junior to obligations required to be preferred by law (which includes certain member share accounts which are given preferential status by law) and at least equally with all other Ordinary Non-Preferential Debts of the Issuer.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), for so long as they are not secured pursuant to the provisions of Condition 3, the Senior Preferred Notes and any relative Coupons form part of the class of Ordinary Non-Preferential Debts of the Issuer under the Insolvency Act (and any other Ranking Legislation).

(b) *Status and Ranking of Senior Non-Preferred Notes*

(i) *Status and Ranking*

The Senior Non-Preferred Notes (being those Notes that specify their status as Senior Non-Preferred) and any relative Coupons are direct, unsecured and unguaranteed obligations of the Issuer and, subject to the Insolvency Act (and any other Ranking Legislation), constitute Secondary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation), ranking *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), claims in respect of principal, interest and any other amount (including, without limitation, any damages awarded for breach of the Issuer’s obligations) in respect of the Senior Non-Preferred Notes and any relative Coupons will, in the event of the winding up or dissolution of the Issuer (subject as otherwise provided in an Excluded Dissolution), rank as provided for Secondary Non-Preferential Debts in the Insolvency Act (and any other Ranking Legislation), and therefore rank:

- (A) junior in right of payment to all Senior Claims;
- (B) *pari passu* with all other Senior Non-Preferred Claims; and
- (C) in priority to all Subordinated Claims.

(ii) *Waiver of Set-off, etc.*

This Condition 3(b)(ii) applies unless “*Senior Non-Preferred Notes: Waiver of Set-off*” is expressly specified to be “Not Applicable” in the applicable Final Terms.

Subject to applicable law, no holder of a Senior Non-Preferred Note or any relative Coupon may exercise, claim or plead any right of set-off (including, without limitation, compensation or retention), counterclaim or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Non-Preferred Notes or any relative Coupons, and each Noteholder and Couponholder shall, by virtue of being the holder of any such Senior Non-Preferred Note or relative Coupon (as the case may be), be deemed to have waived all such rights of set-off (including, without limitation, compensation or retention), counterclaim or netting. Notwithstanding the provision of the foregoing sentence, if any of the said rights and claims of any Noteholder or Couponholder of a Senior Non-Preferred Note or relative Coupon against the Issuer is discharged by set-off (including, without limitation, compensation or retention), counterclaim or netting, such Noteholder or Couponholder will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding up or dissolution of the Issuer, the liquidator or other insolvency official of the Issuer, and accordingly such discharge will be deemed not to have taken place.

(c) *Status and Subordination of Subordinated Notes*

(i) *Status and Subordination*

The Subordinated Notes (being those Notes that specify their status as Subordinated) and any relative Coupons are direct, unsecured and unguaranteed obligations of the Issuer, subordinated as described below, and rank *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), the Subordinated Notes form part of the class of Tertiary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation), and claims in respect of principal, interest and any other amount (including, without limitation, any damages awarded for breach of the Issuer’s obligations) in respect of the Subordinated Notes and any relative Coupons will, in the event of the winding up or dissolution of the Issuer (subject as otherwise provided in an Excluded Dissolution):

- (A) be subordinated in right of payment in the manner provided in the Insolvency Act (and any other Ranking Legislation) and the Trust Deed to (x) all Senior Claims, (y) all Senior Non-Preferred Claims and (z) any Subordinated Claims (if any) which rank, or are expressed to rank, in priority to claims in respect of the Subordinated Notes;
- (B) rank at least *pari passu* with claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital (including the Issuer’s GBP 200,000,000 Callable Fixed Rate Reset Subordinated Notes due April 2029); and
- (C) rank in priority to claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Additional Tier 1 Capital (including, without limitation, the Issuer’s permanent interest bearing shares) or CET1 Capital and in priority to any other claims ranking, or expressed to rank, junior to claims in respect of the Subordinated Notes and for the avoidance of doubt, ahead of all claims in respect of any Deferred Shares (as defined below) in the Issuer.

(ii) *Waiver of Set-off, etc.*

Subject to applicable law, no holder of a Subordinated Note or any relative Coupon may exercise, claim or plead any right of set-off (including, without limitation, compensation or retention),

counterclaim or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes or any relative Coupons, and each Noteholder and Couponholder shall, by virtue of being the holder of any such Subordinated Note or Coupon (as the case may be), be deemed to have waived all such rights of set-off (including, without limitation, compensation or retention), counterclaim or netting. Notwithstanding the provision of the foregoing sentence, if any of the said rights and claims of any Noteholder or Couponholder of a Subordinated Note or relative Coupon against the Issuer is discharged by set-off (including, without limitation, compensation or retention), counterclaim or netting, such Noteholder or Couponholder will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding up or dissolution of the Issuer, the liquidator or other insolvency official of the Issuer and accordingly such discharge will be deemed not to have taken place.

(d) *Certain definitions*

As used in these Conditions:

“**Deferred Shares**” means deferred shares within the meaning of the Act (as defined in Condition 10(a));

“**Excluded Dissolution**” means each of (i) a winding up or dissolution of the Issuer for the purpose of a reconstruction, union, transfer, merger or amalgamation or the substitution in place of the Issuer of a successor in business, the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders, and (ii) a dissolution of the Issuer following, or in connection with, a Permitted Reorganisation whereby the Successor Entity is substituted in place of the Issuer as principal debtor under the Trust Deed, the Notes and any relative Coupons;

“**Hierarchy Order**” means The Banks and Building Societies (Priorities on Insolvency) Order 2018, as amended or superseded from time to time;

“**Insolvency Act**” means the Insolvency Act 1986, as amended or superseded from time to time (including by the Hierarchy Order);

“**Ordinary Non-Preferential Debts**” means ‘ordinary non-preferential debts’ as defined in Section 387A(3)(a) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation);

“**Permitted Reorganisation**” means any of:

- (i) an amalgamation of the Issuer and one or more other building societies under section 93 of the Act (or any successor provision thereto);
- (ii) a transfer by the Issuer of all or substantially all of its engagements under section 94 of the Act (or any successor provision thereto);
- (iii) a transfer by the Issuer of the whole of its business to a subsidiary of a mutual society pursuant to any order made by HM Treasury under section 3 of the Building Societies (Funding) and Mutual Societies (Transfers) Act 2007 (the “**2007 Act**”) (or any successor provisions thereto); or
- (iv) an alteration in the status of the Issuer by virtue of any statute or statutory provision which alters, or permits the alteration of, the status of building societies generally or building societies which meet specified criteria to another type of body authorised under the Financial Services and Markets Act 2000 as amended, consolidated or re-enacted from time to time (the “**FSMA**”) or to a body which is regulated on a similar basis to an authorised person under the FSMA;

“**Ranking Legislation**” means the Insolvency Act, the Hierarchy Order and, if and to the extent applicable to the Issuer, any other law or regulation which is amended by the Hierarchy Order;

“**Secondary Non-Preferential Debts**” means ‘secondary non-preferential debts’ as defined in Section 387A(3)(b) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation);

“**Senior Claims**” means the aggregate amount of all claims in respect of deposits with, or loans to, the Issuer, all claims of creditors in respect of Ordinary Non-Preferential Debts of the Issuer and all other obligations of the Issuer which are preferred by law to Secondary Non-Preferential Debts;

“**Senior Non-Preferred Claims**” means the aggregate amount of all claims admitted in the winding up or dissolution of the Issuer which are claims of creditors in respect of Secondary Non-Preferential Debts of the Issuer;

“**Subordinated Claims**” means the aggregate amount of all claims admitted in the winding up or dissolution of the Issuer which are claims in respect of Tertiary Non-Preferential Debts of the Issuer (or which otherwise rank or are expressed to rank junior to Senior Non-Preferred Claims), including (without limitation) claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital, Additional Tier 1 Capital (including, without limitation, the Issuer’s permanent interest bearing shares) or CET1 Capital (including the Issuer’s core capital deferred shares);

“**Successor Entity**” means:

- (i) (in respect of an amalgamation of the Issuer and one or more other building societies under section 93 of the Act (or any successor provision thereto)), the resulting building society;
- (ii) (in respect of a transfer by the Issuer of all or substantially all of its engagements under section 94 of the Act (or any successor provision thereto), a transfer by the Issuer of the whole of its business to a company under sections 97 to 102D of the Act (or any successor provisions thereto) or a transfer of the whole of its business to a subsidiary of a mutual society pursuant to any order made by HM Treasury under section 3 of the 2007 Act (or any successor provisions thereto)), the relevant transferee; or
- (iii) (in respect of an alteration in the status of the Issuer by virtue of any statute or statutory provision which alters, or permits the alteration of, the status of building societies generally or building societies which meet specified criteria to another type of body authorised under the FSMA or to a body which is regulated on a similar basis to an authorised person under the FSMA), the resulting authorised person under the FSMA or, as the case may be, the resulting body which is regulated on a similar basis to an authorised person under the FSMA.

“**Tertiary Non-Preferential Debts**” means ‘tertiary non-preferential debts’ as defined in Section 387A(3)(c) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation); and

“**Tier 1 Capital**”, “**CET1 Capital**”, “**Additional Tier 1 Capital**” and “**Tier 2 Capital**” have the respective meanings given thereto (or to any successor or equivalent term) from time to time by the Supervisory Authority in accordance with the Applicable Rules (as defined in Condition 6(k)).

4 NEGATIVE PLEDGE (SENIOR PREFERRED NOTES ONLY)

(a) Restriction

So long as any of the Senior Preferred Notes or related Coupons remain outstanding (as defined in the Trust Deed) the Issuer shall not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (other than a Permitted Security Interest) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the

Issuer's obligations under the Senior Preferred Notes, related Coupons and the Trust Deed (A) are secured equally and rateably therewith to the satisfaction of the Trustee or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, in each case to the satisfaction of the Trustee or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

(b) *Relevant Definitions*

For the purposes of this Condition:

- (i) **"Government Entities"** means any body, agency, ministry, department, authority, statutory corporation or other entity of or pertaining to a member state of the European Economic Area or the government thereof or any political subdivision, municipality or local government thereof (whether autonomous or not).
- (ii) **"Permitted Security Interest"** means any security interest:
 - (A) arising by operation of law or
 - (B) created by the Issuer over the whole or any part of its present or future assets or revenues where such assets or revenues are comprised of the following (or are otherwise qualifying collateral for issues of covered bonds pursuant to any relevant contractual arrangements and/or specific provisions of the laws of England and Wales relating to covered bonds):
 - (I) mortgage receivables; or
 - (II) receivables against Government Entities (as defined herein); or
 - (III) asset-backed securities backed by any of the assets under paragraph (I) or (II); or
 - (IV) any other assets permitted by the laws of England and Wales to collateralise the covered bonds, in each case provided that the creation of such security interest is pursuant to the relevant contractual arrangements or, as the case may be, specific provisions of the laws of England and Wales relating to covered bonds applicable at the time of creation of such security interest.
- (iii) **"Relevant Debt"** means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities that are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, automated trading system, over-the-counter or other securities market, having an original maturity of more than one year from its date of issue.

5 INTEREST AND OTHER CALCULATIONS

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g).

(b) *Interest on Floating Rate Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the

number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below shall apply.

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

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, and unless the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified hereon as being “Compounded Daily SONIA”, the Rate of Interest for each Interest Accrual Period will, subject to Condition 5(i) and as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question as determined by the Calculation Agent or other party responsible for the calculation of the Rate of Interest as specified in the applicable Final Terms (and references in this Condition 5(b)(iii)(A) to “Calculation Agent” shall be construed accordingly). 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 Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

(y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request the principal Euro-zone office of each of

the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered at approximately 11.00 a.m. (Brussels 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 Euro-zone inter-bank market or, if fewer than two of the Reference Banks provide the Calculation Agent with such 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 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 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in the Euro-zone inter-bank market 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 or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (B) Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SONIA

(i) Non-Index Determination

Where (1) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, (2) the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “Compounded Daily SONIA” and (3) Index Determination is specified in the applicable Final Terms as being “Not Applicable”, the Rate of Interest for an Interest Accrual Period will, subject to Condition 5(i) and as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

“**Compounded Daily SONIA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as

calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) as at 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):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

“**d₀**” is:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Observation Period;

“**i**” is a series of whole numbers from one to **d₀**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period;
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant 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_i**”, 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 Period**” means the period from (and including) the date falling “**p**” London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “**p**” London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

“**p**” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “SONIA Lag Period (*p*)” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Observation Shift Period (*p*)” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days);

the “**SONIA reference rate**”, in respect of any London Banking Day (“**LBD_x**”), is a reference rate equal to the daily Sterling Overnight Index Average (“**SONIA**”) rate for such **LBD_x** 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 **LBD_x**; and

“**SONIA_i**” means the SONIA reference rate for:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the London Banking Day (being a London Banking Day falling in the relevant Observation Period) falling “*p*” London Banking Days prior to the relevant London Banking Day “*i*”; or
 - (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day “*i*”.
- (ii) If, in respect of any London Banking Day in the relevant 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 Calculation Agent (or other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) has been notified of any Successor Rate or Alternative Rate (and in either case, the related Adjustment Spread and Benchmark Amendments (if any)) pursuant to Condition 5(i), if applicable) the SONIA reference rate in respect of such London Banking Day shall be:
- (x) (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 lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
 - (y) if the Bank Rate under (x)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the

relevant authorised distributors) or (B) if this is more recent, the latest rate determined under (1) above.

- (iii) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be:
 - (x) 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 Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or
 - (y) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of 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 (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period).
- (iv) If the relevant Series of Notes becomes due and payable in accordance with Condition 10(a) or (b) (as applicable), the final Rate of Interest shall be calculated for the Interest Accrual Period 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 5(e) and the Trust Deed.
- (v) **Index Determination**

Where (1) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, (2) the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “Compounded Daily SONIA” and (3) Index Determination is specified in the applicable Final Terms as being “Applicable”, the Rate of Interest for an Interest Accrual Period will, subject to Condition 5(i) and as provided below, be the SONIA Compounded Index Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

“**SONIA Compounded Index Rate**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Calculation Agent by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed on the Relevant Screen Page specified in the applicable Final Terms or, if no such page is so specified or if such page is unavailable at the relevant time, as otherwise published or displayed by such administrator from time to time on the relevant Interest Determination Date (the “**SONIA Compounded Index**”), and in accordance with the following formula:

$$\left(\frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{365}{d}$$

provided, however, that and subject to Condition 5(i), if the SONIA Compounded Index Value is not available on the relevant Interest Determination Date by 5:00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA Compounded Index or of authorised distributors, as the case may be) in relation to any Interest Accrual Period on the Relevant Screen Page for the determination of either or both of SONIA Compounded Index_{START} and SONIA Compounded Index_{END}, the Rate of Interest shall be calculated for such Interest Accrual Period on the basis of the Compounded Daily SONIA Reference Rate as set out in Condition 5(b)(iii)(B)(i) as if Compounded Daily SONIA Reference Rate with Observation Shift had been specified in the applicable Final Terms as being applicable and the Relevant Screen Page shall be deemed to be the Relevant Fallback Screen Page as specified in the applicable Final Terms,

where:

“**London Banking Day**” and “**Observation Period**” have the meanings set out under Condition 5(b)(iii)(B)(i);

“**d**” means the number of calendar days in the relevant Observation Period;

“**p**” means, for any Interest Accrual Period, the whole number specified in the applicable Final Term (or, if no such number is specified, five London Business Days) representing a number of London Business Days;

“**Relevant Number**” is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

“**SONIA Compounded Index**” means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

“**SONIA Compounded Index_{Start}**” means, in respect of an Interest Period, the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) the first day of such Interest Period, or (ii) in the case of the first Interest Period, the Issue Date;

“**SONIA Compounded Index_{End}**” means the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) in respect of an Interest Period, the Interest Payment Date for such Interest Period, or (ii) if the Notes become due and payable prior to the end of an Interest Period, the date on which the Notes become so due and payable; and

- (C) “**SONIA Compounded Index Value**” means in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorised distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at www.bankofengland.co.uk/boeapps/database/ (or such

other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on such London Business Day.

(D) Linear Interpolation

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent (or such other party as aforesaid) shall determine such rate at such time and by reference to such sources as it determines appropriate.

“**Applicable Maturity**” means: the period of time designated in the Reference Rate.

(c) *Zero Coupon Notes*

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) *Fixed Rate Reset Notes*

(i) Accrual of interest

Each Fixed Rate Reset Note bears interest:

- (a) in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the Interest Commencement Date), at the rate per annum equal to the Initial Rate of Interest; and
- (b) after the first Reset Date following the Interest Commencement Date and in respect of each Reset Period, at such rate per annum as is equal to the relevant Subsequent Reset Rate, as determined by the Calculation Agent on the relevant Reset Determination Date in accordance with this Condition,

payable, in each case, in arrear on the relevant Interest Payment Date(s).

(ii) Subsequent Reset Rate Screen Page

If the Subsequent Reset Rate Screen Page is not available, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Subsequent Reset Reference Rate at approximately the Subsequent Reset Rate Time on the Reset Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Subsequent Reset Rate for the relevant Reset 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 applicable Initial Credit Spread and Step-Up Margin

(if any), all as determined by the Calculation Agent. If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the foregoing provisions of this paragraph, the Subsequent Reset Rate shall be determined as at the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the Subsequent Reset Rate shall be the Initial Rate of Interest.

(e) *Accrual of Interest*

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(f) *Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding*

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the countries of such currency.

(g) *Calculations*

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be applied to the period for which interest is required to be calculated.

(h) *Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Clean-up Call Amount*

The Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) shall, as soon as practicable on each Interest Determination Date, Reset Determination Date or such other time on such date as the Calculation Agent (or such other party as aforesaid) may be required to calculate any rate or amount, obtain any quotation or make any

determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, Interest Period or Interest Payment Date, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-up Call Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period or Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or any Optional Redemption Amount or Clean-up Call Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange or other relevant authority and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) where the Reference Rate in respect of a Series of Floating Rate Notes is specified in the applicable Final Terms as being “Compounded Daily SONIA”, the second London Banking Day after such determination or (iii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) *Benchmark discontinuation*

(i) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable (provided that, in the case of Fixed Rate Reset Notes, such appointment need not be made earlier than 30 days prior to the first date on which the Original Reference Rate is to be used to determine any Rate of Interest (or any component part thereof)), to advise the Issuer in determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(i)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(i)(iv)). In making such determination, the Issuer and the Independent Adviser appointed pursuant to this Condition 5 shall act in good faith and in a commercially reasonable manner. In the absence of bad faith or fraud, the Issuer and the Independent Adviser shall have no liability whatsoever to the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it and for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 5.

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(i)(i) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a

different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 5(i)(i).

(ii) Successor Rate or Alternative Rate

If the Issuer, following consultation with the Independent Adviser, determines that:

- (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5).

(iii) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer, following consultation with the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5 and the Issuer, following consultation with the Independent Adviser, determines (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(i)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Authorised Persons (as defined in the Trust Deed) of the Issuer pursuant to Condition 5(i)(v), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders or the Couponholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this Condition 5(i)(iv), the Issuer 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 5, no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected either (i) to prejudice the qualification of the Notes as Tier 2 Capital and/or the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of the Loss Absorption Regulations or (ii) (in the case of Senior Non-Preferred Notes only) to result in the relevant Supervisory Authority treating the Interest Payment Date or the Reset Date, as the case may be, as the effective maturity date of the Notes, rather than the relevant maturity date.

(v) Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5 will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee, the Calculation Agent and the Paying Agents a certificate signed by two Authorised Persons of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5; and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

Each of the Trustee, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Noteholders and the Couponholders.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 5(i)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 5(b)(iii)(A) will continue to apply unless and until a Benchmark Event has occurred.

(vii) Definitions:

As used in this Condition 5:

“**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to 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 in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (ii) the Issuer, following consultation with the Independent Adviser, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Issuer determines that no such spread is customarily applied); or
- (iii) the Issuer, following consultation with the Independent Adviser, determines 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).

“**Alternative Rate**” means an alternative benchmark or screen rate which the Issuer following consultation with the Independent Adviser determines in accordance with Condition 5(i)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

“**Benchmark Amendments**” has the meaning given to it in Condition 5(i)(iv).

“**Benchmark Event**” means:

- (i) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will 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); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes;
- (v) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or
- (vi) a public statement by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative,

provided that in the case of sub-paragraphs (ii), (iii) and (iv), the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(i)(i).

“**Original Reference Rate**” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

“**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.

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

(j) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which T2 is operating (a “**TARGET Business Day**”) and/or
- (iii) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/365 (Sterling)**” is specified hereon, the actual number of days in the Calculation 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 hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vii) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation 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 **D₂** will be 30

(viii) if “**Actual/Actual-ICMA**” is specified hereon:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“**Determination Date**” means the date specified as such hereon or, if none is so specified, the Interest Payment Date.

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“**Initial Credit Spread**” has the meaning specified hereon.

“**Initial Rate of Interest**” has the meaning specified hereon.

“**Interest Accrual Period**” means: (i) the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date; and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 10, shall be the date on which such Notes become due and payable).

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date unless otherwise specified hereon.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“Mid-Swap Benchmark Rate” means, subject to Condition 5(i), EURIBOR.

“Mid-Swap Maturity” has the meaning specified hereon.

“Mid-Swap Rate” means, subject to Condition 5(i), for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term of equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on the Mid-Swap Benchmark Rate for the Mid-Swap Maturity as specified hereon (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent).

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means the principal Euro-zone office of four major banks in the Euro-zone inter-bank market selected by the Calculation Agent or as specified hereon and in the case of a determination of the Subsequent Reset Rate if the Subsequent Reset Rate Screen Page is unavailable, the principal office in the principal financial centre of four major banks in the swap, money, securities or other market most closely connected with the Subsequent Reset Reference Rate as selected by the Issuer on the advice of an investment bank of international repute.

“Reference Bond” means for any Reset Period a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer on the advice of an investment bank of international repute (following

any then-current guidance published by the International Capital Markets Association at the relevant time, if applicable) as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the relevant Reset Period.

“**Reference Bond Price**” means, with respect to any Reset Determination Date, (i) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if the Calculation Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations, or (iii) if the Calculation Agent obtains only one Reference Government Bond Dealer Quotation, such Reference Government Bond Dealer Quotation, or (iv) if the Calculation Agent obtains no Reference Government Bond Dealer Quotations, the Subsequent Reset Rate shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the Subsequent Reset Rate shall be the Initial Rate of Interest (though substituting, where a different Step-up Margin specified in the relevant Final Terms is to be applied to the relevant Reset Period from that which applied (if any) to the last preceding Reset Period, the Step-up Margin relating to the relevant Reset Period in place of that relating to the last preceding Reset Period).

“**Reference Government Bond Dealer**” means each of five banks (selected by the Issuer on the advice of an investment bank of international repute), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues.

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its nominal amount) at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer.

“**Reference Rate**” means either EURIBOR or Compounded Daily SONIA as specified in the relevant Final Terms.

“**Relevant Fallback Screen Page**” means such page, section, caption column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

“**Relevant Screen Page**” means such page, section, caption column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

“**Reset Date**” means the Interest Payment Date(s) specified hereon.

“**Reset Determination Date**” means for each Reset Period, the date specified hereon falling on or before the commencement of such Reset Period on which the Subsequent Reset Rate applying during such Reset Period will be determined.

“**Reset Period**” means each period from (and including) one Reset Date (or the first Reset Date) to (but excluding) the next Reset Date, or (if applicable) the Maturity Date.

“**Specified Denomination(s)**” has the meaning specified hereon.

“**Step-Up Margin**” has the meaning specified hereon. In the case of Subordinated Notes only, the Step-Up Margin shall be zero.

“**Subsequent Reset Rate**” for any Reset Period means the sum of (i) the applicable Subsequent Reset Reference Rate (ii) the Initial Credit Spread and (iii) the applicable Step-Up Margin (rounded down to four decimal places, with 0.00005 being rounded down).

“**Subsequent Reset Rate Screen Page**” has the meaning specified hereon.

“**Subsequent Reset Rate Time**” has the meaning specified hereon.

“**Subsequent Reset Reference Rate**” means either:

- (i) if “Mid-Swaps” is specified hereon, the Mid-Swap Rate displayed on the Subsequent Reset Rate Screen Page at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date for such Reset Period; or
- (ii) if “Reference Bond” is specified hereon, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the relevant Reference Bond Price.

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor thereto.

(k) *Calculation Agent*

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-up Call Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 REDEMPTION, PURCHASE AND OPTIONS

(a) *Final Redemption*

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount).

(b) *Early Redemption*

- (i) Zero Coupon Notes
 - (A) The Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
 - (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation

Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) *Redemption for Taxation Reasons*

If the Issuer satisfies the Trustee immediately before the giving of such notice referred to below that:

- (i) as a result of any change in or amendment to the laws or regulations of the United Kingdom or any political sub-division of, or any authority in, or of, the United Kingdom having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the relevant series, on the next Interest Payment Date the Issuer would be required:
- (A) to pay additional amounts as described under Condition 8; or
 - (B) to account to any taxing authority in the United Kingdom for any amount other than tax withheld or deducted from interest payable on the Notes calculated by reference to any other amount payable in respect of the Notes; and
- (ii) such requirement is continuing and cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may, at its option (but subject to Condition 6(k) in the case of Subordinated Notes or Condition 6(l) in the case of Senior Non-Preferred Notes) having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable) redeem all, but not some only, of the Notes on any Interest Payment Date (if this Note is a Floating Rate Note), at any time (if this Note is not a Floating Rate Note) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption). Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two Authorised Persons of the Issuer stating that the relevant requirements referred to above will apply on the next Interest Payment Date and the Trustee shall be entitled to accept and rely on such certificate without liability to any person and without further enquiry as sufficient evidence of

the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on Noteholders and Couponholders.

(d) Redemption at the Option of the Issuer

If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) (but subject to Condition 6(k) in the case of Subordinated Notes or Condition 6(l) in the case of Senior Non-Preferred Notes) redeem, all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. Where the Notes are listed on a stock exchange or other relevant authority and the rules of such stock exchange or other relevant authority, as the case may be, so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation as specified by such stock exchange or other relevant authority, a notice specifying the aggregate nominal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(e) Redemption at the Option of Noteholders

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note (other than a Subordinated Note), upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Redemption Upon Capital Disqualification Event

If this Condition 6(f) is specified as being applicable hereon, then, following the occurrence of a Capital Disqualification Event (as defined below), the Issuer may (subject to Condition 6(k)) on giving not less than 30 nor more than 60 days' notice (ending, in the case of Floating Rate Notes, on an Interest Payment Date) to the Trustee (with a copy to the Principal Paying Agent) and to the Noteholders in accordance with Condition 16, redeem all, but not some only, of the Subordinated Notes at the Capital Disqualification Event Early Redemption Amount specified hereon, together with interest accrued and unpaid, if any, to the date fixed for redemption.

Prior to giving the above notice to the Trustee pursuant to this Condition 6(f), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Persons of the Issuer stating that a Capital

Disqualification Event has occurred and is continuing, and the Trustee shall be entitled to accept and rely on such certificate without liability to any person and without further enquiry as sufficient evidence of the same and it shall be conclusive and binding on the Noteholders and the Couponholders.

For these purposes, a “**Capital Disqualification Event**” shall be deemed to have occurred if there is a change (which has occurred or which the Supervisory Authority considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes which becomes effective after the Issue Date, that results, or would be likely to result, in:

- (i) if “*Capital Disqualification Event (Subordinated Notes only): Full Exclusion*” is specified in the applicable Final Terms, the entire principal amount of such Series of Subordinated Notes being excluded from the Tier 2 Capital of the Issuer (whether on an individual or consolidated basis); or
- (ii) if “*Capital Disqualification Event (Subordinated Notes only): Full or Partial Exclusion*” is specified in the applicable Final Terms, the entire principal amount of such Series of Subordinated Notes or any part thereof being excluded from the Tier 2 Capital of the Issuer (whether on an individual or consolidated basis),

and for the avoidance of doubt, any amortisation of the Notes pursuant to Article 64 of the CRD IV Regulation shall not comprise a Capital Disqualification Event.

(g) *Redemption Upon Loss Absorption Disqualification Event*

This Condition 6(g) applies in respect of all Series of Senior Non-Preferred Notes except for any Series where “*Senior Non-Preferred Notes: Loss Absorption Disqualification Event Redemption*” is expressly specified to be “Not Applicable” in the applicable Final Terms.

Following the occurrence of a Loss Absorption Disqualification Event (as defined below), the Issuer may (subject to Condition 6(l)), on giving not less than 30 nor more than 60 days’ notice (ending, in the case of Floating Rate Notes, on an Interest Payment Date) to the Trustee (with a copy to the Principal Paying Agent) and to the Noteholders in accordance with Condition 16, redeem all, but not some only, of the Senior Non-Preferred Notes at the Loss Absorption Disqualification Event Early Redemption Amount specified hereon, together with interest accrued and unpaid, if any, to the date fixed for redemption.

Prior to giving the above notice to the Trustee pursuant to this Condition 6(g), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Persons of the Issuer stating that a Loss Absorption Disqualification Event has occurred and is continuing, and the Trustee shall be entitled to accept and rely on such certificate without liability to any person and without further enquiry as sufficient evidence of the same and it shall be conclusive and binding on the Noteholders and the Couponholders.

A “**Loss Absorption Disqualification Event**” shall be deemed to have occurred in respect of a Series of Senior Non-Preferred Notes if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective after the Issue Date of such Series of Senior Non-Preferred Notes, either:

- (i) if “*Loss Absorption Disqualification Event: Full Exclusion*” is specified in the applicable Final Terms, the entire principal amount of such Series of Senior Non-Preferred Notes; or
- (ii) if “*Loss Absorption Disqualification Event: Full or Partial Exclusion*” is specified in the applicable Final Terms, the entire principal amount of such Series of Senior Non-Preferred Notes or any part thereof,

is or (in the opinion of the Issuer or the relevant Supervisory Authority) is likely to be excluded from the Issuer's minimum requirements (whether on an individual or consolidated basis) for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer (whether on an individual or consolidated basis) and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur where the exclusion of the Senior Non-Preferred Notes from the relevant minimum requirement(s) is due to the remaining maturity of such Senior Non-Preferred Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer on the Issue Date of such Series of Senior Non-Preferred Notes.

As used herein, "**Loss Absorption Regulations**" means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments in effect in the United Kingdom (including, without limitation, any provision of the Insolvency Act or any other Ranking Legislation which relates to the requisite features of Secondary Non-Preferential Debts) and applicable to the Issuer (whether on an individual or consolidated basis) including, without limitation to the generality of the foregoing, any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by any relevant Supervisory Authority from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer).

(h) Redemption at the Option of the Issuer (Clean-up Call)

Subject to Condition 6(k) in the case of Subordinated Notes or Condition 6(l) in the case of Senior Non-Preferred Notes, if (i) Clean-up Call is specified hereon; and (ii) the Clean-up Call Minimum Percentage or more in nominal amount of the Notes originally issued has been redeemed or purchased and subsequently cancelled pursuant to and in accordance with this Condition 6, the Issuer may, from (and including) the Clean-up Call Effective Date, at any time, on giving not less than 15 nor more than 30 days' irrevocable notice to Noteholders (or such other notice period as may be specified hereon), redeem or purchase (or procure the purchase of) all but not some only of the remaining outstanding Notes at their Clean-up Call Amount (as specified hereon) together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

For the purposes of this Condition 6(h), any further securities issued pursuant to Condition 15 so as to be consolidated and form a single series with the Notes outstanding at that time will be deemed to have been originally issued.

In this Condition:

"**Clean-up Call Effective Date**" means (i) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, the Issue Date of the first Tranche of the relevant Series of such Notes and (ii) in the case of Subordinated Notes, the date specified hereon or such earlier date as may be permitted under the prevailing Applicable Rules from time to time; and

"**Clean-up Call Minimum Percentage**" means 75 per cent. or such other percentage specified hereon.

(i) Purchases

The Issuer and any of its Subsidiaries (as defined in the Trust Deed) (subject to compliance with Condition 6(k) and the prevailing Applicable Rules in the case of Subordinated Notes or to compliance with Condition 6(l) and the prevailing Loss Absorption Regulations in the case of Senior Non-Preferred Notes) may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(j) *Cancellation*

All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(k) *Preconditions to Redemption and Purchase of Subordinated Notes*

The Issuer's right to redeem or purchase Subordinated Notes pursuant to Conditions 6(c), 6(d), 6(f) 6(h) or 6(i) is subject, as applicable, to:

- (i) the Issuer obtaining prior Supervisory Permission therefor;
- (ii) in the case of any redemption or purchase of any Notes prior to the Maturity Date, the Issuer having demonstrated to the satisfaction of the Supervisory Authority that either: (A) the Issuer has (or will, on or before the relevant redemption or purchase date, have) replaced the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or, save in the case of Condition 6(k)(v)(A) below, (B) the own funds and eligible Liabilities of the Issuer would, following such redemption or purchase, exceed its minimum applicable capital requirements (including any applicable buffer requirements) by a margin (calculated in accordance with prevailing Applicable Rules) that the Supervisory Authority considers necessary at such time; and
- (iii) in the case of any redemption of any Notes prior to the fifth anniversary of the Issue Date, upon the occurrence of a Taxation Event, the Issuer has demonstrated to the satisfaction of the Supervisory Authority that the applicable change in tax treatment is material and was not reasonably foreseeable as at the Issue Date;
- (iv) in the case of any redemption of any Notes prior to the fifth anniversary of the Issue Date upon the occurrence of a Capital Disqualification Event, the Issuer has demonstrated to the satisfaction of the Supervisory Authority that the relevant change in the regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date; and
- (v) in the case of any purchase of any Notes prior to the fifth anniversary of the Issue Date pursuant to Condition 6(i), either (A) the Issuer having, before or at the same time as such purchase, replaced the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the Supervisory Authority having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances or (B) the relevant Notes are being purchased for market-making purposes in accordance with the Applicable Rules.

Any refusal by the Supervisory Authority to give its Supervisory Permission as contemplated above shall not constitute a default for any purpose.

Notwithstanding the above conditions, if, at the time of any redemption or purchase, the prevailing Applicable Rules permit the repayment or purchase only after compliance with one or more alternative or additional pre-conditions to those set out above in this Condition 6(k), the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

Prior to the publication of any notice of redemption in respect of Subordinated Notes pursuant to this Condition 6 (other than redemption pursuant to Condition 6(d) or Condition 6(h)), the Issuer shall deliver

to the Trustee a certificate signed by two Authorised Persons of the Issuer stating that the relevant requirements or circumstances giving rise to the right to redeem is satisfied and the Trustee shall be entitled to accept and rely on (without liability to any person and without further enquiry) such certificate as sufficient evidence of the satisfaction of the relevant conditions precedent in which event it shall be conclusive and binding on the Trustee, the Noteholders and the Couponholders.

In these Conditions:

“**Applicable Rules**” means, at any time, any requirement contained in the laws, regulations, requirements, guidelines and policies relating to capital adequacy and prudential (including resolution) supervision then in effect (whether or not having the force of law) in the United Kingdom (or if the Issuer becomes domiciled in a jurisdiction other than the United Kingdom, such other jurisdiction) including, without limitation to the generality of the foregoing, those applicable laws, regulations, requirements, guidelines and policies relating to capital adequacy and prudential (including resolution) supervision adopted by the Supervisory Authority (whether or not having the force of law) from time to time;

“**CRD IV Regulation**” means the Regulation (EU No. 575/2013) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013, as amended or replaced from time to time (including, without limitation, by Regulation (EU) 2019/876);

“**Supervisory Authority**” means the Prudential Regulation Authority and any successor organisation responsible for the prudential supervision of building societies or authorised persons under the FSMA in the United Kingdom (or if the Issuer becomes domiciled in a jurisdiction other than the United Kingdom, such other jurisdiction);

“**Supervisory Permission**” means, in relation to any action in respect of any Subordinated Notes or Senior Non-Preferred Notes, any required notice, permission, consent, approval, non-objection and/or waiver of the Supervisory Authority for such action under the prevailing Applicable Rules and/or Loss Absorption Regulations, as the case may be; and

“**Taxation Event**” means any of the applicable events or circumstances set out in item (i) of Condition 6(c).

(l) *Preconditions to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*

This Condition 6(l) applies to Senior Non-Preferred Notes only.

Any redemption, purchase, substitution or variation of Senior Non-Preferred Notes in accordance with Conditions 6(c), 6(d), 6(g), 6(h), 6(i) or 6(m) is subject to:

- (a) the Issuer having obtained prior Supervisory Permission therefor; and
- (b) compliance with any other pre-conditions to, or requirements applicable to, such redemption, purchase, substitution or variation as may be required by the Supervisory Authority or the Loss Absorption Regulations at such time (including, in the case of a redemption or purchase and to the extent then so required, the Issuer having demonstrated to the satisfaction of the relevant Supervisory Authority that (A) it has (or before or at the same time as the relevant redemption or purchase will have) replaced the Senior Non-Preferred Notes with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or (B) the own funds and eligible liabilities of the Issuer would, following such redemption or purchase, exceed its minimum requirements for own funds and eligible liabilities by a margin that the relevant Supervisory Authority considers necessary at such time; or (C) the partial or full replacement of the Senior Non-Preferred Notes with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in the Applicable Rules for continuing authorisation).

Prior to the publication of any notice of redemption, purchase, substitution or variation in respect of Senior Non-Preferred Notes pursuant to this Condition 6 (other than redemption pursuant to Condition 6(d)), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Persons of the Issuer stating that the relevant requirements or circumstances giving rise to the right to redeem, purchase, substitute or vary is satisfied and the Trustee shall be entitled to accept and rely on (without liability to any person and without further enquiry) such certificate as sufficient evidence of the satisfaction of the relevant conditions precedent in which event it shall be conclusive and binding on the Trustee, the Noteholders and the Couponholders.

(m) *Substitution and Variation of Senior Non-Preferred Notes*

This Condition 6(m) applies to each Series of Senior Non-Preferred Notes unless “*Senior Non-Preferred Notes: Substitution and Variation*” is expressly specified to be “Not Applicable” in the applicable Final Terms.

Following the occurrence of a Loss Absorption Disqualification Event in respect of a Series of Senior Non-Preferred Notes, the Issuer may (subject to Condition 6(l)), on giving not less than 30 nor more than 60 days’ notice prior to the date of substitution or variation (as the case may be) to the Trustee (with a copy to the Principal Paying Agent) and to the Noteholders in accordance with Condition 16, (which notice shall be irrevocable and shall specify the date fixed for substitution or variation, as applicable) may, without any requirement for the consent or approval of the Noteholders or Couponholders, either substitute all, but not some only, of the Senior Non-Preferred Notes of such Series for, or vary the terms of the Senior Non-Preferred Notes of such Series so that they remain or, as appropriate, become, Loss Absorption Compliant Notes. Upon the expiry of the notice referred to above, the Issuer shall either substitute or, as the case may be, vary the terms of the relevant Senior Non-Preferred Notes and, subject as set out below, the Trustee shall agree to such substitution or variation.

In connection with any substitution or variation in accordance with this Condition 6(m), the Issuer shall comply with the rules of any stock exchange on which the relevant Senior Non-Preferred Notes are for the time being listed or admitted to trading.

Any substitution or variation in accordance with this provision is subject to the following conditions:

- (a) the Issuer complying with Condition 6(l);
- (b) such substitution or variation not resulting in any event or circumstance which at or around that time gives the Issuer a redemption right in respect of the resulting Loss Absorption Compliant Notes; and
- (c) prior to the publication of any notice of substitution or variation pursuant to this Condition 6(m), the Issuer having delivered to the Trustee a certificate signed by two Authorised Persons of the Issuer stating that the Loss Absorption Disqualification Event giving rise to the right to substitute or vary the Senior Non-Preferred Notes has occurred as at the date of the certificate and that the conditions set out in (a) and (b) immediately above have been satisfied, and the Trustee shall be entitled to accept and rely on such certificate without liability to any person and without further enquiry as sufficient evidence of the same and it shall be conclusive and binding on the Trustee and all Noteholders and Couponholders.

The Trustee shall, subject to the Issuer’s compliance with the foregoing conditions and the provision of the certificate signed by two Authorised Persons of the Issuer as referred to in the definition of Loss Absorption Compliant Notes, and at the expense and cost of the Issuer, use reasonable endeavours to assist the Issuer in any substitution or variation of the relevant Senior Non-Preferred Notes in accordance with this provision, except that the Trustee shall not be obliged to assist in any such substitution or variation if either such substitution or variation itself or the terms of the proposed Loss Absorption Compliant Notes would, in the Trustee’s opinion, impose more onerous obligations upon it or expose

the Trustee to any additional duties, responsibilities or liabilities in any material respect or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any material respect.

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

In these Conditions:

“EEA regulated market” means a market as defined by Article 4.1(21) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended;

“Loss Absorption Compliant Notes” means securities that comply with the following (which compliance has been certified to the Trustee in a certificate signed by two Authorised Persons of the Issuer and delivered to the Trustee prior to the relevant substitution or variation):

- (a) such securities are issued by the Issuer or any wholly-owned direct or indirect subsidiary of the Issuer with a guarantee of such obligations by the Issuer;
- (b) such securities and any relative coupons rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) as part of the class of Secondary Non-Preferential Debts;
- (c) (subject to (b) above) such securities have terms not materially less favourable to Noteholders and Couponholders than the terms of the relevant Senior Non-Preferred Notes and relative Coupons (as reasonably determined by the Issuer in consultation with an independent adviser of recognised standing);
- (d) (without prejudice to (c) above) such securities (1) contain terms such that they comply with the then applicable Loss Absorption Regulations in order to be eligible to qualify in full towards the Issuer’s minimum requirements (on an individual or consolidated basis) for own funds and eligible liabilities and/or loss absorbing capacity instruments; (2) bear the same rate of interest from time to time applying to the relevant Senior Non-Preferred Notes and preserve the same interest payment dates; (3) do not contain terms providing for deferral of payments of interest and/or principal; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Senior Non-Preferred Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) do not contain terms providing for loss absorption through principal write-down or conversion to common equity tier 1 instruments; and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant Senior Non-Preferred Notes and relative Coupons which has accrued to Noteholders or Couponholders and not been paid;
- (e) such securities are listed on the same stock exchange or market as the relevant Senior Non-Preferred Notes or the London Stock Exchange or any EEA regulated market or any market in an Organisation for Economic Co-operation and Development (OECD) member state selected by the Issuer; and
- (f) where the relevant Senior Non-Preferred Notes which have been substituted or varied had a published rating solicited by the Issuer from one or more Rating Agencies immediately prior to their substitution or variation, such securities benefit from (or will, as announced, or otherwise

confirmed in writing, by each such relevant Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the relevant Senior Non-Preferred Notes (unless any downgrade is solely attributable to the ranking of the securities under (b) above); and

“**Rating Agency**” means any of S&P Global Ratings Europe Limited, Moody’s Investors Service Ltd and Fitch Ratings Ltd. and each of their respective affiliates or successors.

7 PAYMENTS AND TALONS

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to T2.

(b) *Registered Notes*

- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments subject to Fiscal Laws*

Save as provided in Condition 8, payments will be subject in all cases to any other applicable fiscal or other laws or regulations in the place of payment or other laws and regulations to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Appointment of Agents*

The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing

and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require (v) Paying Agents having specified offices in at least two major European cities and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders. 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.

(f) *Unmatured Coupons and unexchanged Talons*

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-up Call Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9) or if later, within a period of five years next following the Interest Payment Date specified on the face of such Coupon.
- (ii) Upon the due date for redemption of any Bearer Note, comprising a Floating Rate Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) *Non-Business Days*

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day.

8 TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the United Kingdom or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, (i) in the case of (A) all Senior Preferred Notes and (B) each Series of Senior Non-Preferred Notes unless the applicable Final Terms expressly specifies “*Senior Non-Preferred Notes: Gross-up of principal*” as “Not Applicable”, in respect of payments of interest (if any) or principal or (ii) in the case of (A) all Subordinated Notes and (B) each Series of Senior Non-Preferred Notes for which the applicable Final Terms expressly specifies “*Senior Non-Preferred Notes: Gross-up of principal*” as “Not Applicable”, in respect of payments of interest (if any) only, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

(a) *Other connection*

to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the United Kingdom other than the mere holding of the Note or Coupon or

(b) *Presentation more than 30 days after the Relevant Date*

presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative

Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Clean-up Call Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

9 PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 EVENTS OF DEFAULT

(a) *Senior Preferred Notes and Unrestricted Default Senior Non-Preferred Notes and Enforcement*

This Condition 10(a) applies only if the Note is:

- (i) a Senior Preferred Note; or
- (ii) a Senior Non-Preferred Note for which the applicable Final Terms expressly specifies “*Senior Non-Preferred Notes: Restricted Events of Default*” as being “Not Applicable” (an “**Unrestricted Default Senior Non-Preferred Note**”),

and references in this Condition 10(a) to Notes shall be construed accordingly.

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer that the Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed, in any of the following events (each an “**Event of Default**”):

- (i) if default is made in the payment of any interest or principal due in respect of the Notes, or any of them and the default continues for a period of 14 days or more (in the case of interest) or seven days or more (in the case of principal) or
- (ii) if the Issuer fails to perform or observe any of its other obligations under the Notes or the Trust Deed and (except in any case where the Trustee considers the failure to be incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied or
- (iii) if any payment in respect of the principal of or any premium or interest on any indebtedness (as defined in the Trust Deed) for moneys borrowed having an outstanding aggregate principal amount of at least £10,000,000 (or its equivalent in any other currency or currencies) of the Issuer or any Subsidiary is not made on its due date (or by the expiry of any applicable grace period therefor) or any such indebtedness of the Issuer or any Subsidiary becomes due and payable prior to its stated maturity by reason of default or if any guarantee of or indemnity in respect of any such payment in respect of any such indebtedness of any third party by the Issuer or any Subsidiary is not honoured when due and called upon or

- (iv) if an administrative or other receiver or an administrator or other similar official is appointed in relation to the Issuer or any Material Subsidiary or in relation to the whole or a material part of the assets of any of them or if an encumbrancer takes possession of the whole or, in the opinion of the Trustee, any material part of the assets of the Issuer or any Material Subsidiary or a distress of execution is levied or enforced upon or sued out against the whole or, in the opinion of the Trustee, any material part of the assets of the Issuer or any Material Subsidiary and, in any such case, is not discharged within 60 days or
- (v) if, except for the purposes of or pursuant to a Permitted Transfer (as defined below):
 - (1) the Issuer stops payment to its creditors generally or ceases to carry on the whole or substantially the whole of its business or
 - (2) the Supervisory Authority presents a petition for the winding up of the Issuer or an effective resolution, instrument of dissolution or award for dissolution is passed, entered into or made or an order is made or an effective resolution is passed for the winding up or the dissolution of the Issuer or the Issuer is wound up or dissolved in any other manner or
 - (3) an order is made pursuant to the Act the effect of which is to prevent the Issuer from accepting the deposit of, or otherwise borrowing, any money or from accepting any payment representing the whole or any part of the amount due by way of subscription for a share in the Issuer, other than a payment which fell due before the making of the said order or
 - (4) the Issuer ceases to be an authorised person to carry on a deposit-taking business for the purposes of the FSMA or the Issuer's registration as a building society is cancelled or suspended or the Issuer is not or ceases to be a building society for the purposes of the Act or
 - (5) the Issuer amalgamates with, or transfers the whole or a material part of its engagements or its business to, another person or
- (vi) if, except for the purposes of a reconstruction or amalgamation the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders or for the purposes of a solvent winding up where the assets of a Material Subsidiary attributable directly or indirectly to the Issuer are distributed to any one or more of the Issuer and the other Material Subsidiaries:
 - (1) a Material Subsidiary stops payment to its creditors generally or ceases to carry on the whole or substantially the whole of its business or
 - (2) an order is made by any competent court or resolution is passed for the winding up or dissolution of any Material Subsidiary,

provided, in the case of any Event of Default other than those described in sub-paragraphs (i) and (v)(2) above, the Trustee shall have certified to the Issuer that the Event of Default is, in its opinion, materially prejudicial to the interests of the Noteholders.

For the purposes of these Conditions:

- (A) the “**Act**” means the Building Societies Act 1986 (as amended) and includes, where applicable, any statutory modification or re-enactment thereof or any statutory instrument, order or regulations made thereunder or under any such statutory modification or re-enactment
- (B) a “**Material Subsidiary**” shall mean any Subsidiary of the Issuer whose total assets (attributable to the Issuer) are equal to 10 per cent. or more of the consolidated total assets of the Issuer and its Subsidiaries, all as more particularly defined in the Trust Deed and

- (C) a “**Permitted Transfer**” shall mean:
- (i) an amalgamation of the Issuer and one or more other building societies under section 93 of the Act or
 - (ii) a transfer by the Issuer of all or substantially all (being 90 per cent. or more of the Issuer’s engagements including its obligations under the Notes, the Trust Deed and the Agency Agreement) or (on terms which have previously been approved by the Trustee in writing or by an Extraordinary Resolution of the Noteholders) any smaller part of its engagements under section 94 of the Act or
 - (iii) a transfer by the Issuer of its business to a company under sections 97 to 102D of the Act or
 - (iv) an alteration in the status of the Issuer by virtue of any statute or statutory provision which alters, or permits the alteration of, the status of building societies generally or building societies which meet specified criteria to that of an institution authorised under the FSMA or to a body which is regulated on a similar basis to an institution authorised under the FSMA or
 - (v) any other reconstruction or amalgamation the terms of which have previously been approved by the Trustee in writing or by an Extraordinary Resolution of the Noteholders.

At any time after any Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings or take such steps or actions against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Notes or the Coupons, but it need not take any such proceedings, steps or actions unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

(b) *Subordinated Notes and Restricted Default Senior Non-Preferred Notes and Enforcement*

This Condition 10(b) applies only if the Note is:

- (i) A Subordinated Note; or
- (ii) A Senior Non-Preferred Note for which the applicable Final Terms expressly specifies “*Senior Non-Preferred Notes: Restricted Events of Default*” as being “Applicable” (a “**Restricted Default Senior Non-Preferred Note**”),

And references in this Condition 10(b) to Notes shall be construed accordingly.

- (i) In the event of default being made for a period of seven days or more in the payment of any principal or interest in respect of the Notes or any of them, in each case as and when the same ought to be paid, the Trustee may, in order to enforce the obligations of the Issuer under the Trust Deed, the Notes and Coupons, at its discretion without further notice, and if so requested in writing by the holders of at least one-quarter in nominal amount of Notes then outstanding or if so directed by an Extraordinary Resolution of Noteholders shall, (subject to being indemnified and/or secured and/or prefunded to its satisfaction) institute proceedings for the winding up of the Issuer and prove in such winding up but may take no other action in respect of such default (except as provided in (ii) below).
- (ii) In the event of a winding up or dissolution of the Issuer (other than an Excluded Dissolution), whether or not instituted by the Trustee pursuant to (i) above, the Trustee may, and if so requested in writing by the holders of at least one-quarter in nominal amount of Notes then outstanding or

if so directed by an Extraordinary Resolution of Noteholders shall, (subject to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer (or the relevant official presiding over such winding up or dissolution) that the Notes are, and they shall accordingly immediately become, due and repayable at their Early Redemption Amount, and shall claim and/or prove in such winding up or dissolution in respect of the Notes (such claim ranking as provided in Condition 3(b) or Condition 3(c), as applicable, and in the Trust Deed).

- (iii) Without prejudice to (i) and (ii) above, the Trustee may institute such proceedings or take such steps or actions against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Trust Deed or the Notes or Coupons (other than any obligation for the payment of any principal or interest in respect of the Notes or Coupons including any damages awarded for breach of any obligations) provided that the Issuer shall not by virtue of the institution of any such proceedings, steps or actions (other than proceedings for the winding up of the Issuer) be obliged to pay any sum or sums including any damages awarded for breach of any obligations in respect of the Notes or Coupons sooner than the same would otherwise have been payable by it.
- (iv) The Trustee shall not be bound to take any of the steps, actions or proceedings referred to above to enforce the obligations of the Issuer under the Trust Deed and the Notes and Coupons, unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing. No such holder shall be entitled to institute proceedings for the winding up of the Issuer, or to prove in any winding up or dissolution of the Issuer, except that if the Trustee, having become bound to proceed against the Issuer as aforesaid, fails to do so within a reasonable time, or, being able to prove in any winding up of the Issuer, fails to do so within a reasonable time, then any such holder may institute proceedings for the winding up of the Issuer and/or prove in any winding up or dissolution of the Issuer to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do in respect of such Notes and/or Coupons held by such holder.
- (v) No remedy against the Issuer, other than as referred to in this Condition 10(b), shall be available to the Trustee or the Noteholders, whether for the recovery of amounts owing in respect of the Notes or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Notes or under the Trust Deed. Nothing in the Trust Deed or these Conditions shall affect or prejudice the payment of the costs, fees, charges, expenses, liabilities or remuneration of the Trustee under the Trust Deed or the rights and remedies of the Trustee in respect thereof.

11 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders (including at a physical location or by means of any electronic platform (such as conference call or videoconference) or a combination of such methods) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more

persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount or the Clean-up Call Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than two thirds, or at any adjourned meeting not less than one third, in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The consent or approval of the Noteholders and the Couponholders shall not be required in the case of amendments to the Conditions pursuant to Condition 5(i) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes or for any other variation of these Conditions and/or the Trust Deed required to be made in the circumstances described in Condition 5(i), where the Issuer has delivered to the Trustee a certificate pursuant to Condition 5(i)(v).

(b) Modification of the Trust Deed

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable.

In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments in the circumstances and as otherwise set out in Condition 5(i) without the consent of the Noteholders or the Couponholders.

To the extent applicable to the Subordinated Notes and/or the Senior Non-Preferred Notes, no modification to these Conditions or any other provisions of the Trust Deed shall become effective unless (if and to the extent required at the relevant time by the Supervisory Authority) the Issuer shall have given at least 30 days' prior written notice of such modification to, and received the Supervisory Permission therefor from, the Supervisory Authority (or such other period of notice as the Supervisory Authority may from time to time require or accept).

(c) Entitlement of the Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the

Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 SUBSTITUTION

- (a) If the Issuer shall amalgamate with one or more other building societies under Section 93 of the Act or transfer all or substantially all (being 90 per cent. or more of the Issuer's engagements including its obligations under the Notes, the Trust Deed and the Agency Agreement) of its engagements to another building society under Section 94 of the Act or transfer its business to a successor in accordance with Sections 97 to 102D of the Act, the successor will, pursuant to such provisions, automatically be substituted in place of the Issuer as principal debtor under the Trust Deed, the Notes and Coupons without prior approval thereof being required from the Noteholders, the Couponholders or the Trustee, provided that in the case of Subordinated Notes and Senior Non-Preferred Notes:
- (i) in the case of a proposed transfer in accordance with Section 97 and other such applicable provisions, either (1) the Issuer satisfies the Trustee by a certificate signed by two Authorised Persons that the successor will be or (as the case may be) remain an authorised institution under the FSMA (or any statutory modification or re-enactment thereof) or (2) such transfer is approved by an Extraordinary Resolution of the Noteholders
 - (ii) in connection with such transfer, any variation or supplement to these Conditions must not be one which would or might cause any of the financial resources derived by the Issuer from the issue of the Notes to which the Trust Deed relates and which comprise Tier 2 Capital to be excluded from the financial resources considered appropriate by the Supervisory Authority for the purposes of paragraph 4(1) of Schedule 6 of the FSMA
 - (iii) the circumstances in which such variation or supplement may take place are limited to dealing with matters arising out of the procedure by which the transfer takes place and the constitution of the transferee, which variation or supplement shall be effected by the execution of a trust deed supplemental to the Trust Deed in form and substance acceptable to the Trustee and shall bind any successor as fully as if the successor had been named in the Trust Deed as principal debtor in place of the Issuer. A memorandum of any such supplemental trust deed shall be endorsed by the Trustee on the Trust Deed and by the Issuer on the duplicate of the Trust Deed and
 - (iv) no variation or supplement to the terms of the Trust Deed or of these Conditions shall be made which would or might cause:
 - (A) any qualifying own funds or capital resources of the Issuer for the purposes of the Applicable Rules prevailing at that time to be excluded from such own funds or capital resources or
 - (B) any liabilities of the Issuer which, for the purposes of the Loss Absorption Regulations prevailing at that time, qualify towards the Issuer's minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments to be excluded from such minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments.
- (b) Without prejudice to paragraph (a) above and subject as provided in the Trust Deed, the Trustee may agree, without the consent of the Noteholders or Couponholders, if it is satisfied that so to do would not be materially prejudicial to the interest of the Noteholders, to the substitution of either a Successor in Business to the Issuer or a Subsidiary of the Issuer or a subsidiary of a Successor in Business to the Issuer, not being in any such case a building society formed by the amalgamation of the Issuer and one or more other building societies pursuant to Section 93 of the Act or a building society to which the Issuer has transferred its engagements pursuant to Section 94 of the Act or the successor in accordance with Sections 97 to 102D or other applicable provisions of the Act, in place of the Issuer as principal

debtor under the Trust Deed, the Notes and Coupons, provided that in the case of a substitution of a company which is a Subsidiary of the Issuer or a subsidiary of a Successor in Business to the Issuer, the obligations of such substitute in respect of the Trust Deed, the Notes and Coupons shall be guaranteed by the Issuer or the Successor in Business to the Issuer, as the case may be, in such form as the Trustee may require and provided further that in the case of Subordinated Notes the obligations of such Successor in Business to the Issuer or Subsidiary of the Issuer or subsidiary of a Successor in Business to the Issuer, as the case may be, and any such guarantee shall be subordinated on a basis considered by the Trustee to be equivalent to that in respect of the Issuer's obligations in respect of the Notes and Coupons.

- (c) Any substitution referred to in paragraphs (a) and (b) above shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, shall be notified to the Noteholders by the Issuer as soon as practicable thereafter in accordance with the Conditions.

13 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trustee may rely without liability to Noteholders or Couponholders on any certificate or report prepared by the Auditors (as defined in the Trust Deed) pursuant to the Conditions and/or the Trust Deed whether or not the Auditor's liability in respect thereof is limited by a monetary cap or otherwise and shall be obliged to do so where the certificate or report is delivered pursuant to the obligation of the Issuer to procure such delivery under these Conditions; any such certificate shall be conclusive and binding on the Issuer, the Trustee, the Noteholders and the Couponholders.

14 REPLACEMENT OF NOTES, CERTIFICATES, COUPONS AND TALONS

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

15 FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities 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) and so that such further issue shall be consolidated and form a single series with a Series. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

16 NOTICES

Notices required to be given to the holders of Registered Notes pursuant to the Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to the Conditions shall be valid if published in a daily newspaper of general circulation in the United Kingdom (which is expected to be the *Financial Times*). If in the opinion of the Trustee any such

publication is not practicable, notice required to be given pursuant to the Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in the United Kingdom. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Notes expressly provide for such Act to apply to any of their terms.

18 GOVERNING LAW

The Trust Deed, the Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

19 RECOGNITION OF UK BAIL-IN POWER

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

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

- (i) the effect of the exercise of the UK Bail-in Power by the Resolution Authority, that may include and result in any of the following, or some combination thereof:
 - (A) the reduction of all, or a portion, of the Amounts Due;
 - (B) the conversion of all, or a portion, of the Amounts Due in respect of the Notes into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes;
 - (C) the cancellation of the Notes or the Amounts Due; or
 - (D) 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
- (ii) the variation of the terms of the Notes, as determined by the Resolution Authority, to give effect to the exercise of the UK Bail-in Power by the Resolution Authority.

(b) Definitions

For the purposes of this Condition 19:

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

“**Resolution Authority**” means the Bank of England or any successor or replacement thereto and/or such other authority in the United Kingdom with the ability to exercise the UK Bail-in Power; and

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

(c) Payment of Interest and Other Outstanding Amounts Due

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

(d) Event of Default

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

(e) Notice

Upon the exercise of the UK Bail-in Power by the Supervisory Authority with respect to any Notes, the Issuer shall immediately notify the Trustee and the Agent in writing of such exercise and give notice of the same to Noteholders in accordance with Condition 16. Any delay or failure by the Issuer in delivering any notice referred to in this Condition 19(e) shall not affect the validity and enforceability of the exercise of the UK Bail-in Power.

Schedule 2
Part D
Form of Coupon

On the front:

LEEDS BUILDING SOCIETY

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Coupon for [[set out amount due, if known]/the amount] due on [the Interest Payment Date falling in]* [●], [●].

[Coupon relating to Note in the nominal amount of [●]]**

This Coupon is payable to bearer (subject to the Conditions endorsed on the Note to which this Coupon relates, which shall be binding upon the holder of this Coupon whether or not it is for the time being attached to such Note) at the specified offices of the Issuing and Paying Agent and the Paying Agents set out on the reverse hereof (or any other Issuing and Paying Agent or further or other Paying Agents or specified offices duly appointed or nominated and notified to the Noteholders).

[If the Note to which this Coupon relates shall have become due and payable before the maturity date of this Coupon, this Coupon shall become void and no payment shall be made in respect of it.]***

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

LEEDS BUILDING SOCIETY

By:

[Cp. No.]

[Denomination]

[ISIN]

[Series]

[Certif. No.]

On the back:

ISSUING AND PAYING AGENT

HSBC BANK plc

8 Canada Square

London E14 5HQ

PAYING AGENT

BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE ANONYME

69, route d'Esch

L-2953 Luxembourg

[*Only necessary where Interest Payment Dates are subject to adjustment in accordance with a Business Day Convention otherwise the particular Interest Payment Date should be specified.]

[**Only required for Coupons relating to Floating Rate Notes that are issued in more than one denomination.]

[***Delete if Coupons are not to become void upon early redemption of Note.]

Schedule 2
Part E
Form of Talon

On the front:

LEEDS BUILDING SOCIETY

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Talon for further Coupons falling due on [the Interest Payment Dates falling in]*[●] [●].

[Talon relating to Note in the nominal amount of [●]]**

After all the Coupons relating to the Note to which this Talon relates have matured, further Coupons (including if appropriate a Talon for further Coupons) shall be issued at the specified office of the Issuing and Paying Agent set out on the reverse hereof (or any other Issuing and Paying Agent or specified office duly appointed or nominated and notified to the Noteholders) upon production and surrender of this Talon.

If the Note to which this Talon relates shall have become due and payable before the original due date for exchange of this Talon, this Talon shall become void and no exchange shall be made in respect of it.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

LEEDS BUILDING SOCIETY

By:

[Talon No.]

[ISIN]

[Series]

[Certif. No.]

On the back:

ISSUING AND PAYING AGENT

HSBC BANK plc

8 Canada Square

London E14 5HQ

PAYING AGENT

BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE ANONYME

69, route d'Esch

L-2953 Luxembourg

[* The maturity dates of the relevant Coupons should be set out if known, otherwise reference should be made to the months and years in which the Interest Payment Dates fall due.]

[** Only required where the Series comprises Notes of more than one denomination.]

Schedule 3 Provisions for Meetings of Noteholders

Interpretation

- 1** In this Schedule:
- 1.1** references to a meeting are to a physical meeting, a virtual meeting or a hybrid meeting of Noteholders of a single series of Notes and include, unless the context otherwise requires, any adjournment
- 1.2** references to “**Notes**” and “**Noteholders**” are only to the Notes of the Series in respect of which a meeting has been, or is to be, called, and to the holders of these Notes, respectively
- 1.3** “**agent**” means a holder of a voting certificate or a proxy for, or representative of, a Noteholder
- 1.4** “**Alternative Clearing System**” means any clearing system (including without limitation The Depository Trust Company (“**DTC**”)) other than Euroclear or Clearstream, Luxembourg
- 1.5** “**block voting instruction**” means an instruction issued in accordance with paragraphs 9 to 15
- 1.6** “**Electronic Consent**” has the meaning set out in paragraph 32.1
- 1.7** “**electronic platform**” means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems
- 1.8** “**Extraordinary Resolution**” means a resolution passed (a) at a meeting duly convened and held in accordance with this Trust Deed by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent
- 1.9** “**hybrid meeting**” means a combined physical meeting and virtual meeting convened pursuant to this Schedule by the Issuer or the Trustee at which persons may attend either at the physical location specified in the notice of such meeting or via an electronic platform
- 1.10** “**meeting**” means a meeting convened pursuant to this Schedule by the Issuer or the Trustee and whether held as a physical meeting or as a virtual meeting or as a hybrid meeting
- 1.11** “**physical meeting**” means any meeting attended by persons present in person at the physical location specified in the notice of such meeting
- 1.12** “**present**” means physically present in person at a physical meeting or a hybrid meeting, or able to participate in or join a virtual meeting or a hybrid meeting held via an electronic platform
- 1.13** “**Supervisory Authority**” means the Prudential Regulation Authority and any successor organisation responsible for the prudential supervision of building societies or authorised persons under the FSMA in the United Kingdom (or if the Issuer becomes domiciled in a jurisdiction other than the United Kingdom, such other jurisdiction)
- 1.14** “**virtual meeting**” means any meeting held via an electronic platform
- 1.15** “**voting certificate**” means a certificate issued in accordance with paragraphs 6 to 8

- 1.16** “**Written Resolution**” means a resolution in writing signed by the holders of not less than 75 per cent. in nominal amount of the Notes outstanding
- 1.17** references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding and
- 1.18** where Notes are held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, references herein to the deposit or release or surrender of Notes shall be construed in accordance with the usual practices (including in relation to the blocking of the relevant account) of Euroclear or Clearstream, Luxembourg or such Alternative Clearing System.

Powers of meetings

- 2** A meeting shall, subject to the Conditions and without prejudice to any powers conferred on other persons by this Trust Deed, have power by Extraordinary Resolution:
- 2.1** to sanction any proposal by the Issuer or the Trustee for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders and/or the Couponholders against the Issuer, whether or not those rights arise under this Trust Deed
- 2.2** to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity
- 2.3** to assent to any modification of this Trust Deed, the Notes, the Talons or the Coupons proposed by the Issuer or the Trustee
- 2.4** to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution
- 2.5** to give any authority, direction or sanction required to be given by Extraordinary Resolution
- 2.6** to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders’ interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution
- 2.7** to approve a proposed new Trustee and to remove a Trustee
- 2.8** to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under this Trust Deed and
- 2.9** to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed, the Notes, the Talons or the Coupons

provided that the special quorum provisions in paragraph 20 shall apply to any Extraordinary Resolution (a “**special quorum resolution**”) for the purpose of sub-paragraph 2.2 or 2.8, any of the proposals listed in Condition 11(a) or any amendment to this proviso and any such amendments to the terms and conditions of Subordinated Notes and/or Senior Non-Preferred Notes shall require and are subject to receipt of permission from the Supervisory Authority.

Nothing in this paragraph 2 shall be construed as requiring the consent or approval of the Noteholders in the case of any amendment to the Conditions pursuant to Condition 5(i) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Subsequent Reset Rate in respect of the Notes or for any other variation of

the Conditions and/or the Trust Deed required to be made in the circumstances described in Condition 5(i), where the Issuer has delivered to the Trustee a notice pursuant to Condition 5(i)(v).

Convening a meeting

- 3** The Issuer or the Trustee may at any time convene a meeting. If it receives a written request by Noteholders holding at least 10 per cent. in nominal amount of the Notes of any Series for the time being outstanding and is indemnified and/or secured and/or prefunded to its satisfaction against all costs and expenses, the Trustee shall convene a meeting of the Noteholders of that Series. Every physical meeting shall be held at a time and place approved by the Trustee. Every virtual meeting shall be held via an electronic platform and at a time approved by the Trustee. Every hybrid meeting shall be held at a time and place and via an electronic platform approved by the Trustee.

Notice of a Meeting

- 4** At least 21 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day and time of the meeting and manner in which it is to be held, and if a physical meeting or hybrid meeting is to be held, the place of the meeting and, unless the Trustee otherwise agrees, the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives, obtain voting certificates and use block voting instructions and the details of the time limits applicable. With respect to a virtual meeting or a hybrid meeting, each such notice shall set out such other and further details as are required under paragraph 36.

Cancellation of meeting

- 5** A meeting that has been validly convened in accordance with paragraph 3 above, may be cancelled by the person who convened such meeting by giving at least seven days' notice (exclusive of the day on which the notice is given and of the day of the meeting) to the Noteholders (with a copy to the Trustee where such meeting was convened by the Issuer or to the Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 5 shall be deemed not to have been convened.

Arrangements for voting on Bearer Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Voting Certificates

- 6** If a holder of a Bearer Note wishes to obtain a voting certificate in respect of it for a meeting, he must deposit such Bearer Note for that purpose at least 48 hours before the time fixed for the meeting with a Paying Agent or to the order of a Paying Agent with a bank or other depositary nominated by the Paying Agent for the purpose. The Paying Agent shall then issue a voting certificate in respect of it.
- 7** A voting certificate shall:
- 7.1** be a document in the English language
 - 7.2** be dated
 - 7.3** specify the meeting concerned and (if applicable) the serial numbers of the Notes deposited and

- 7.4 entitle, and state that it entitles, its bearer to attend and vote at that meeting in respect of those Notes And
- 7.5 specify details of evidence of the identity of the bearer of such voting certificate.
- 8 Once a Paying Agent has issued a voting certificate for a meeting in respect of a Note, it shall not release the Note until either:
 - 8.1 the meeting has been concluded or
 - 8.2 the voting certificate has been surrendered to the Paying Agent.

Arrangements for voting on Bearer Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Block Voting Instructions

- 9 If a holder of a Bearer Note wishes the votes attributable to it to be included in a block voting instruction for a meeting, then, at least 48 hours before the time fixed for the meeting, (i) the holder must deposit the Note for that purpose with a Paying Agent or to the order of a Paying Agent with a bank or other depositary nominated by the Paying Agent for the purpose and (ii) the holder or a duly authorised person on their behalf must direct the Paying Agent how those votes are to be cast. The Paying Agent shall issue a block voting instruction in respect of the votes attributable to all Notes so deposited.
- 10 A block voting instruction shall:
 - 10.1 be a document in the English language
 - 10.2 be dated
 - 10.3 specify the meeting concerned
 - 10.4 list the total number and serial numbers (if applicable) of the Notes deposited, distinguishing with regard to each resolution between those voting for and those voting against it
 - 10.5 certify that such list is in accordance with Notes deposited and directions received as provided in paragraphs 9, 12 and 15 and
 - 10.6 appoint one or more named persons (each a “**proxy**”) to vote at that meeting in respect of those Notes and in accordance with that list.

A proxy need not be a Noteholder.
- 11 Once a Paying Agent has issued a block voting instruction for a meeting in respect of the votes attributable to any Notes:
 - 11.1 it shall not release the Notes, except as provided in paragraph 12, until the meeting has been concluded and
 - 11.2 the directions to which it gives effect may not be revoked or altered during the 48 hours before the time fixed for the meeting.
- 12 If the receipt for a Note deposited with a Paying Agent in accordance with paragraph 9 is surrendered to the Paying Agent at least 48 hours before the time fixed for the meeting, the Paying Agent shall release the Note and exclude the votes attributable to it from the block voting instruction.

- 13** Each block voting instruction shall be deposited at least 24 hours before the time fixed for the meeting at such place or delivered by another method as the Trustee shall designate or approve, and in default the block voting instructions shall not be valid unless the chairperson of the meeting decides otherwise before the meeting proceeds to business. If the Trustee requires, a certified copy of each block voting instruction shall be produced by the proxy at the meeting or delivered to the Trustee prior to the meeting but the Trustee need not investigate or be concerned with the validity of the proxy's appointment.
- 14** A vote cast in accordance with a block voting instruction shall be valid even if it or any of the Noteholders' instructions pursuant to which it was executed has previously been revoked or amended, unless written intimation of such revocation or amendment is received from the relevant Paying Agent by the Issuer or the Trustee at its registered office or by the chairperson of the meeting in each case at least 24 hours before the time fixed for the meeting.
- 15** No Note may be deposited with or to the order of a Paying Agent at the same time for the purposes of both paragraph 5 and paragraph 8 for the same meeting.

Arrangements for voting on Registered Notes (whether in definitive form or represented by a Global Certificate and whether held within or outside a Clearing System) – Appointment of Proxy or Representative

- 16** A proxy or representative may be appointed in the following circumstances:
- 16.1** *Proxy:* A holder of a Registered Note may, by an instrument in writing in the English language (a “**form of proxy**”) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Transfer Agent not less than 48 hours before the time fixed for the relevant meeting, appoint one or more persons (each a “**proxy**”) to act on his behalf in connection with that meeting and any adjourned such meeting
- 16.2** *Representative:* A holder of a Registered Note may by delivering to a Transfer Agent not later than 48 hours before the time fixed for a meeting a resolution of its directors or other governing body authorise any person to act as its representative (a “**representative**”) in connection with any meeting and any adjourned such meeting.
- 16.3** *Other Proxies:* If the holder of a Note is an Alternative Clearing System or a nominee of an Alternative Clearing System and the rules or procedures of such Alternative Clearing System so require, such nominee or Alternative Clearing System may appoint proxies in accordance with, and in the form used, by such Alternative Clearing System as part of its usual procedures from time to time in relation to meetings of Noteholders. Any proxy so appointed may, by an instrument in writing in the English language in the form available from the specified office of the Registrar or the Issuing and Paying Agent, or in such other form as may have been approved by the Trustee at least seven days before the date fixed for a meeting, signed by the proxy or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the Registrar or the Issuing and Paying Agent not later than 48 hours before the time fixed for any meeting, appoint any person or the Principal Paying Agent or any employee(s) of it nominated by it (the “**sub-proxy**”) to act on his or its behalf in connection with any meeting or proposed meeting of Noteholders. All references to “proxy” or “proxies” in this Schedule other than in this sub-paragraph 16.3 shall be read so as to include references to “sub-proxy” or “sub-proxies”.

- 16.4** *Record Date*: For so long as the Notes are eligible for settlement through an Alternative Clearing System's book-entry settlement system and the rules or procedures of such Alternative Clearing System so require, the Issuer may fix a record date for the purpose of any meeting, provided such record date is no more than 10 days prior to the date fixed for such meeting which shall be specified in the notice convening the meeting.
- 16.5** Any proxy or sub-proxy appointed pursuant to sub-paragraph 16.1, 16.3 or 16.4 above or representative appointed pursuant to sub-paragraph 16.2 above shall, so long as such appointment remains in full force, be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Noteholders, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder or owner, respectively.

Chairperson

- 17** The chairperson of a meeting shall be such person as the Trustee may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairperson, failing which the Issuer may appoint a chairperson. The chairperson need not be a Noteholder or agent. The chairperson of an adjourned meeting need not be the same person as the chairperson of the original meeting.

Attendance

- 18** The following may attend and speak at a meeting:
- 18.1** Noteholders and agents
 - 18.2** the chairperson
 - 18.3** the Issuer and the Trustee (through their respective representatives) and their respective financial and legal advisers
 - 18.4** the Dealers and their advisers.

No-one else may attend, participate and/or speak.

Quorum and Adjournment

- 19** No business (except choosing a chairperson) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders or if the Issuer and the Trustee agree, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place or manner in which it is to be held as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- 20** Two or more Noteholders or agents present at the meeting shall be a quorum:
- 20.1** in the cases marked "No minimum proportion" in the table below, whatever the proportion of the Notes which they represent

20.2 in any other case, only if they represent the proportion of the Notes shown by the table below.

COLUMN 1	COLUMN 2	COLUMN 3
Purpose of meeting	Any meeting except one referred to in column 3 Required proportion	Meeting previously adjourned through want of a quorum Required proportion
To pass a special quorum resolution	two-thirds	one-third
To pass any other Extraordinary Resolution	A clear majority	No minimum proportion
Any other purpose	10 per cent.	No minimum proportion

21 The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place and alternate manner. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 19.

22 At least 10 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

Voting

23 At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairperson, the Issuer, the Trustee or one or more persons representing not less than two per cent. of the Notes.

24 Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.

25 If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.

26 A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.

27 On a show of hands every person who is present in person and who produces a Bearer Note, a Certificate of which he is the registered holder or a voting certificate or is a proxy or representative has one vote. On a poll every such person has one vote in respect of each integral currency unit of the Specified Currency of such Series of Notes so produced or represented by the voting certificate so produced or for which he is a proxy or representative.

Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

- 28** In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.
- 29** At a virtual meeting or a hybrid meeting, a resolution to put to the vote of the meeting shall be decided on a poll in accordance with paragraph 38, and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.

Effect and Publication of an Extraordinary Resolution

- 30** An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and on all the Couponholders and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.

Minutes

- 31** Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

Written Resolution and Electronic Consent

- 32** Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Note held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream, Luxembourg or an Alternate Clearing System, then, in respect of any resolution proposed by the Issuer or the Trustee:

- 32.1** *Electronic Consent*: where the terms of the resolution proposed by the Issuer or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s) as provided in sub-paragraphs (i) and/or (ii) below, each of the Issuer and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (the “**Required Proportion**”) (“**Electronic Consent**”) by close of business on the Relevant Date. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer or the Trustee shall be liable or responsible to anyone for such reliance.
- (i) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing system(s). The notice shall specify, in

sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

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

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 3 above, unless that meeting is or shall be cancelled or dissolved; and

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

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons and Talons, whether or not they participated in such Written Resolution and/or Electronic Consent.

Trustee's Power to Prescribe Regulations

- 33** Subject to all other provisions in this Trust Deed the Trustee may without the consent of the Noteholders prescribe or approve such further regulations regarding the holding of meetings and attendance and voting at them as it in its sole discretion determines or as proposed by the Issuer including (without limitation) such requirements as the Trustee thinks reasonable to satisfy itself that the persons who purport to make any requisition in accordance with this Trust Deed are entitled to do so and as to the form of voting certificates or block voting instructions so as to satisfy itself that persons who purport to attend or vote at a meeting are entitled to do so.
- 34** The holder of a Global Note or Global Certificate shall (unless such Global Note or Global Certificate represents only one Note) be treated as 2 persons for the purposes of any quorum requirements of a meeting of Noteholders.
- 35** The foregoing provisions of this Schedule shall have effect subject to the following provisions:
- 35.1** Meetings of Noteholders of separate Series will normally be held separately. However, the Trustee may from time to time determine that meetings of Noteholders of separate Series shall be held together
- 35.2** A resolution that in the opinion of the Trustee affects one Series alone shall be deemed to have been duly passed if passed at a separate meeting of the Noteholders of the Series concerned
- 35.3** A resolution that in the opinion of the Trustee affects the Noteholders of more than one Series but does not give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed if passed at a single meeting of the Noteholders of the relevant Series provided that for the purposes of determining the votes a Noteholder is entitled to cast pursuant to paragraph 26, each Noteholder shall have one vote in respect of each £1 nominal amount of Notes held, converted, if such Notes are not denominated in pounds sterling, in accordance with sub-Clause 12.13 of this Trust Deed
- 35.4** A resolution that in the opinion of the Trustee affects the Noteholders of more than one Series and gives or may give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed only if it shall be duly passed at separate meetings of the Noteholders of the relevant Series
- 35.5** To all such meetings as aforesaid all the provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Notes and to Noteholders were references to the Notes and Noteholders of the Series concerned.

Additional provisions applicable to Virtual and/or Hybrid Meetings

- 36** The Issuer (with the Trustee's prior approval) or the Trustee in its sole discretion may decide to hold a virtual meeting or a hybrid meeting and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to attend, participate in and/or speak at the meeting, including the electronic platform to be used.
- 37** The Issuer or the chairperson (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the suitability of the electronic platform. All documentation that is required to be passed between persons at or for the purposes of the virtual meeting or

persons attending the hybrid meeting via the electronic platform (in each case, in whatever capacity) shall be communicated by email (or such other medium of electronic communication as the Trustee may approve).

- 38** All resolutions put to a virtual meeting or a hybrid meeting shall be voted on by a poll in accordance with paragraphs 25-28 above (inclusive).
- 39** Persons seeking to attend, participate in, speak at or join a virtual meeting or a hybrid meeting via the electronic platform, shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- 40** In determining whether persons are attending, participating in or joining a virtual meeting or a hybrid meeting via the electronic platform, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- 41** Two or more persons who are not in the same physical location as each other attend a virtual meeting or a hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- 42** The chairperson of the meeting reserves the right to take such steps as the chairperson shall determine in its absolute discretion to avoid or minimise disruption at the meeting, which steps may include (without limitation), in the case of a virtual meeting or a hybrid meeting, muting the electronic connection to the meeting of the person causing such disruption for such period of time as the chairperson may determine.
- 43** The Issuer (with the Trustee's prior approval) or the Trustee in its sole discretion may make whatever arrangements they consider appropriate to enable those attending a virtual meeting or a hybrid meeting to exercise their rights to speak or vote at it.
- 44** A person is able to exercise the right to speak at a virtual meeting or a hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Schedule.
- 45** A person is able to exercise the right to vote at a virtual meeting or a hybrid meeting when:
- 45.1** that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - 45.2** that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting who are entitled to vote at such meeting.
- 46** The Trustee shall not be responsible or liable to the Issuer or any other person for the security of the electronic platform used for any virtual meeting or hybrid meeting or for accessibility or connectivity or the lack of accessibility or connectivity to any virtual meeting or hybrid meeting.

This deed is delivered the day and year first before written
for and on behalf of:

LEEDS BUILDING SOCIETY

By:

By:

Executed as a Deed for and on behalf of **THE LAW DEBENTURE TRUST CORPORATION p.l.c.**
by:

Director:

Representing Law Debenture Corporate Services Limited, Secretary