BASE PROSPECTUS

INVESTEC BANK PLC

(A company incorporated with limited liability in England and Wales with registered number 489604)

£4,000,000,000 Zebra Capital Plans Retail Structured Products Programme

Under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**"), Investec Bank plc (the "**Issuer**") may from time to time issue notes (the "**Notes**").

The value of and return on the Notes is linked to the performance of one or more preference shares issued by Zebra Capital II Limited (the "**Preference Shares**"), an exempted company incorporated under the laws of the Cayman Islands and independent of the Issuer, whose business consists of the issuance of Preference Shares in connection with the Programme. The performance of such Preference Shares is in turn linked to the performance of an underlying share, index, basket of shares or basket of indices (an "**Underlying**") thereby providing investors in the Notes with a return linked to the Underlying.

This Base Prospectus has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**"), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC amended by Directive 2008/11/EC, Directive 2010/73/EU and Directive 2010/78/EU (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom, as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to Notes issued under the Programme during the period of twelve months after the date hereof.

Information on how to use this Base Prospectus is set out on page iii and a table of contents is set out on page xi.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these see "*Risk Factors*".

Certain terms or phrases in this Base Prospectus are defined in bold font and references to those terms elsewhere in this Base Prospectus are designated with initial capital letters. The locations in this Base Prospectus where these terms are first defined are set out in an index to this Base Prospectus.

Please note that different additional terms and conditions will apply to Preference Shares depending on the type of Underlying to which the relevant Preference Share is linked. Certain terms are defined and used in several different sets of additional terms and conditions and the definition provided in respect of such terms may vary between different sets of additional terms and conditions. Please see the section entitled "*Terms and Conditions of the Preference Shares*" and especially page 137 for further guidance regarding the use of the terms and conditions of the Preference Shares.

The Issuer has been assigned the following long-term credit ratings: BBB- by Fitch Ratings Limited ("**Fitch**"), Baa3 by Moody's Investor Service Limited ("**Moody's**") and BBB+ by Global Credit Rating Co. ("**Global Credit Rating**"). Each of Fitch and Moody's is a credit rating agency established and operating in the European Union ("**EU**") and registered in accordance with Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). Global Credit Rating is not established in the EU and is not certified under the CRA Regulation and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and include Notes in bearer form for U.S. tax purposes that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see "*Subscription and Sale*").

Investec Bank plc

Dealer

The date of this Base Prospectus is 13 August 2014.

HOW TO USE THIS BASE PROSPECTUS

INTRODUCTION

This Base Prospectus provides information about Notes that may be issued under the Programme whose return will be linked to the performance of Preference Shares issued by Zebra Capital II Limited, an exempted company incorporated under the laws of the Cayman Islands. The performance of each Preference Share is in turn linked to the performance of an Underlying, being a single share or index or a basket of shares or indices.

ROADMAP FOR THE BASE PROSPECTUS

Set out below is a roadmap for the Base Prospectus to help investors navigate the document. The roadmap provides a brief description of each section of the Base Prospectus and indicates which sections of the document will be particularly relevant for an investor in each type of Note that may be issued under the Programme, namely:

(i) Upside Notes with Capital at Risk

(ii) Upside Plus Notes with Capital at Risk

(iii) Kick Out Upside Plus Notes with Capital at Risk

(iv) Kick Out Notes with Capital at Risk

(v) Multi Equity Kick Out Notes with Capital at Risk

(vi) N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk

(vii) Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk

In addition, Notes issued under the Programme may be secured by security created by the Issuer over a collateral pool (the "**Secured Notes**") and/or linked to the credit of one or more financial institutions or corporations listed on a regulated exchange or a sovereign entity (the "**Credit Linked Notes**"), and the roadmap indicates which sections are particularly relevant for Notes with these features.

Section	***Relevant for***	***Page***
Important Notices sets out important information about the Issuer's responsibility for this Base Prospectus and provides information about its authorised use by financial intermediaries.	*All investors*	Page vii
Summary provides an overview of the information included in this Base Prospectus, including information about the Issuer, the Notes and the Programme, which the Issuer believes to be key to an assessment by a prospective investor considering an investment in the Notes and indicates what further information will be provided in the final terms relating to a specific issuance of Notes.	*All investors*	Page 1
Risk Factors provides details of the principal risks associated with the Issuer and the Notes which may be issued under the Programme. This section describes risks that are both general and specific to the type and structure of Notes invested in, as follows:		Page 20
(i) Risks related to the Issuer	*All investors*	Page 21
(ii) Risks related to the structure of the Notes	*All investors*	Page 21
(iii) Risks related to the Underlying	*All investors*	Page 23

IMPORTANT NOTICES

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive.

Use of this Base Prospectus

This Base Prospectus has been prepared for the purposes of the public offering (including any offering which is a resale or final placement) of Notes to any person in the United Kingdom and Ireland (the "Public Offer Jurisdictions") in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to in this Base Prospectus as a "Public Offer".

This Base Prospectus may only be used for the purposes for which it has been published.

Responsibility for information in the Base Prospectus

The Issuer accepts responsibility for the information contained in this Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

The information in the section of this Base Prospectus entitled "*Description of the Preference Shares*" and "*Terms and Conditions of the Preference Shares*" has been accurately reproduced from information available from the issuer of the Preference Shares. As far as the Issuer is aware and is able to ascertain from information available from such source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Except for Investec Bank plc (which as Issuer takes responsibility for this Base Prospectus as described above), no dealer (being the Issuer and any other person from time to time to whom Notes are issued and who is appointed by the Issuer as a dealer under the Programme (each, a "Dealer" and together, the "Dealers")), nor Deutsche Trustee Company Limited (the "Trustee") have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. Neither the Dealers nor the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer, the Dealers or the Trustee to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Dealers or the Trustee.

The Issuer accepts responsibility for the content of this Base Prospectus in relation to any person in the above Public Offer Jurisdictions (as defined above) to whom an offer of any Notes is made by any financial intermediary to whom the Issuer has given its consent to use this Base Prospectus, where the offer is made during the period for which that consent is given and is in compliance with all other terms and conditions attached to the giving of the consent, all as mentioned in this Base Prospectus.

****

The following section explains the circumstances in which the Issuer's consent to such use of this Base Prospectus is given.

Issuer's consent to use of this Base Prospectus

The Issuer gives its express consent, either as a "general consent" or as a "specific consent" as described below, to the use of the prospectus by a financial intermediary that satisfies the Conditions applicable to the "general consent" or "specific consent", and accepts the responsibility for the content of the Base Prospectus, with respect to the subsequent resale or final placement of securities by any such financial intermediary.

***General consent*: Subject to the "*Common conditions to consent*" set out below, the Issuer hereby grants its consent to the use of this Base Prospectus for the entire term of the Base Prospectus in connection with a Public Offer of any Tranche of Notes by any financial intermediary in the Public Offer Jurisdictions which is authorised to make such offers under the Financial Services and Markets Act 2000, as amended, or other applicable legislation implementing Directive 2004/39/EC (the "Markets in Financial Instruments Directive") and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):**

> **"We, [*insert legal name of financial intermediary*], refer to the base prospectus (the "Base Prospectus") relating to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "Notes") by Investec Bank plc (the "Issuer"). We agree to use the Base Prospectus in connection with the offer of the Notes in [*specify Public Offer Jurisdictions*] in accordance with the consent of the Issuer in the Base Prospectus and subject to the conditions to such consent specified in the Base Prospectus as being the "*Common conditions to consent*"."**

***Specific consent*: In addition, subject to the conditions set out below under "*Common conditions to consent*", the Issuer consents to the use of this Base Prospectus in connection with a Public Offer (as defined below) of any Tranche of Notes by any financial intermediary who is named in the relevant Final Terms as being allowed to use this Base Prospectus in connection with the relevant Public Offer.**

Any new information with respect to any financial intermediary or intermediaries unknown at the time of the approval of this Base Prospectus or after the filing of the applicable Final Terms and whose name is published on the Issuer's website (www.investecstructuredproducts.com).

***Common conditions to consent*: The conditions to the Issuer's consent are that such consent (a) is only valid in respect of the relevant Tranche of Notes; (b) is only valid during the Offer Period specified in the relevant Final Terms; and (c) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in the Public Offer Jurisdictions (the "Public Offer Jurisdictions") specified in the relevant Final Terms.**

Accordingly, investors are advised to check both the website of any financial intermediary using this Base Prospectus and the website of the Issuer* (www.investecstructuredproducts.com) *to ascertain whether or not such financial intermediary has the consent of the Issuer to use this Base Prospectus.

In the event of an offer of Notes being made by a financial intermediary, the financial intermediary will provide to investors the terms and conditions of the offer at the time the offer is made.

Risk warnings relating to the Base Prospectus

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by the Issuer or any of the Dealers or the Trustee that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase

any Notes. Each person (an "investor") intending to acquire or acquiring any securities from any person (an "Offeror") contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Prospective investors should review, *inter alia*, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Notes.

Prospective investors considering acquiring any Notes should understand the risks of transactions involving the Notes and should reach an investment decision only after carefully considering, with their financial, legal, regulatory, tax, accounting and other advisers, the suitability of the Notes in light of their particular circumstances (including without limitation their own financial circumstances and investment objectives and the impact the Notes will have on their overall investment portfolio) and the information contained in this Base Prospectus and the relevant Final Terms. Prospective investors should consider carefully the risk factors set out under "Risk Factors" in this Base Prospectus.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Dealers and the Trustee do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in a jurisdiction where action for that purpose is required other than in the United Kingdom and Ireland. Persons into whose possession this document or any Notes come must inform themselves about, and observe, any such restrictions. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States and the European Economic Area (including the United Kingdom) – see "*Subscription and Sale*".

Listing

Application has also been made for the Notes issued under the Programme to be admitted during the twelve months after the date hereof to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange plc (the "London Stock Exchange"). The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading on the London Stock Exchange. Investors should note that there can be a Public Offer of Notes requiring the publication

of a prospectus under the Prospectus Directive even if the Notes are not to be listed and/or admitted to trading on the London Stock Exchange.

Interpretation

All references herein to "Sterling" and "£" are to the lawful currency of the United Kingdom, all references herein to "euro" and "€" are to the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended from time to time by the Treaty on European Union and all references herein to "U.S.$" and "U.S. dollars" are to United States dollars.

CONTENTS

Page

SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of "Not Applicable".

SECTION A – INTRODUCTION AND WARNINGS		
A.1	**Introduction:**	This summary should be read as an introduction to this Base Prospectus and any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole by the investor. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.
A.2	**Consent:**	The Issuer gives its express consent, either as a "general consent" or as a "specific consent" as described below, to the use of the prospectus by a financial intermediary that satisfies the Conditions applicable to the "general consent" or "specific consent", and accepts the responsibility for the content of the Base Prospectus, with respect to the subsequent resale or final placement of securities by any such financial intermediary to retail investors in the United Kingdom and/or Ireland (the "**Public Offer Jurisdictions**") in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus (any such offer being a "**Public Offer**"). *[General consent*: Subject to the "*Common conditions to consent*" set out below, the Issuer hereby grants its consent to the use of this Base Prospectus for the entire term of the Base Prospectus in connection with a Public Offer of any Tranche of Notes by any financial intermediary in the Public Offer Jurisdictions which is authorised to make such offers under [the Financial Services and Markets Act 2000, as amended,] or other applicable legislation implementing Directive 2004/39/EC (the "**Markets in Financial Instruments Directive**") and publishes on its website the following statement (with the information in square brackets being completed with the relevant information): "We, [*insert legal name of financial intermediary*], refer to the base prospectus (the "**Base Prospectus**") relating to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Notes"**) by Investec Bank plc (the "**Issuer**"). We agree to use the Base Prospectus in connection with the offer of the Notes in the [*specify Public Offer Jurisdiction*] in accordance with the consent of the Issuer in the Base Prospectus and subject to the conditions to such consent specified in the Base Prospectus as being the "*Common conditions to consent*"."] [*Specific consent*: In addition, subject to the conditions set out below under "*Common conditions to consent*", the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of any Tranche of Notes by the following financial intermediaries, namely [ ][, [ ] and [ ]].] [Any new information with respect to any financial intermediary or intermediaries unknown at the time of the approval of this Base Prospectus or after the filing of the applicable Final Terms will be published on the Issuer's website (*www.investecstructuredproducts.com*).] [*Common conditions to consent*: The conditions to the Issuer's consent are that such consent (a) is only valid in respect of the relevant Tranche of Notes; (b) is only valid during the Offer Period specified in the relevant Final Terms; and (c) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in [*specify Public Offer Jurisdictions*].] [Not Applicable. The Issuer does not consent to the use of this Base Prospectus in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus as the Notes will not be publicly offered.] **In the event of an offer of Notes being made by a financial intermediary, the financial intermediary will provide to investors the terms and conditions of the offer at the time the offer is made.**

SECTION B – ISSUER		
B.1	**Legal and commercial name of the Issuer:**	The legal name of the issuer is Investec Bank plc (the "**Issuer**").
B.2	**Domicile and legal form of the Issuer:**	The Issuer is a public limited company registered in England and Wales under registration number 00489604. The liability of its members is limited. The Issuer was incorporated as a private limited company with limited liability on 20 December 1950 under the Companies Act 1948 and registered in England and Wales under registered number 00489604 with the name Edward Bates & Sons Limited. Since then it has undergone changes of name, eventually re-registering under the Companies Act 1985 on 23 January 2009 as a public limited company and is now incorporated under the name Investec Bank plc. The Issuer is subject to primary and secondary legislation relating to financial services and banking regulation in the United Kingdom, including, *inter alia*, the Financial Services and Markets Act 2000, for the purposes of which the Issuer is an authorised person carrying on the business of financial services provision. In addition, as a public limited company, the Issuer is subject to the UK Companies Act 2006.
B.4b	**Trends:**	The Issuer, in its audited consolidated financial statements for the year ended 31 March 2014, reported an increase of 26.1% in operating profit before goodwill and acquired intangibles and after non-controlling interests to £109.5 million (2013: £86.9 million). The balance sheet remains strong, supported by sound capital and liquidity ratios. At 31 March 2014, the Issuer had £4.3 billion of cash and near cash to support its activities, representing approximately 33.0% of its liability base. Customer deposits have decreased by 2.3% since 31 March 2013 to £11.1 billion at 31 March 2014. The Issuer's loan to deposit ratio was 69.9% as at 31 March 2014 (2013: 68.2%). At 31 March 2014, the Issuer's capital adequacy ratio was 15.7% and its tier 1 ratio was 10.7%. The Issuer's anticipated 'fully loaded' Basel III common equity tier 1 capital adequacy ratio and leverage ratio are 10.8% and 7.3%, respectively (where 'fully loaded' is based on Basel III requirements as fully phased in by 2022). These disclosures incorporate the deduction of foreseeable dividends as required by the regulations. Excluding this deduction, the ratio would be 0.3% higher. The credit loss charge as a percentage of average gross core loans and advances has improved from 1.20% at 31 March 2013 to 1.00%. The Issuer's gearing ratio remains low with total assets to equity decreasing to 10.5 times at 31 March 2014.
B.5	**The group:**	The Issuer is the main banking subsidiary of Investec plc, which is part of an international banking group with operations in three principal markets: the United Kingdom, Australia and South Africa. The Issuer also holds certain of the Investec group's UK and Australia based assets and businesses.
B.10	**Audit Report Qualifications:**	Not Applicable. There are no qualifications in the audit reports on the audited, consolidated financial statements of the Issuer and its subsidiary undertakings for the financial years ended 31 March 2013 or 31 March 2014.
B.12	**Key Financial Information:**	The selected financial information set out below has been extracted without material adjustment from the audited consolidated financial statements of the Issuer for the years ended 31 March 2013 and 31 March 2014.

Financial features	**Year Ended**	
	31 March 2014	**31 March 2013**
Operating profit before amortisation of acquired intangibles, non-operating items, taxation and after non-controlling interests (£'000)	109,503	86,862
Earnings attributable to ordinary shareholders (£'000)	51,568	31,822
Costs to income ratio	76.1%	76.3%
Total capital resources (including subordinated liabilities) (£'000)	2,579,048	2,557,869
Total shareholders' equity (£'000)	1,909,272	1,879,127
Total assets (£'000)	20,035,483	21,331,214
Net core loans and advances (£'000)	8,201,000	8,237,000

		Customer accounts (deposits) (£'000) 11,095,782 11,355,475 Cash and near cash balances (£'000) 4,253,000 4,543,000 Funds under management (£'000) 27,206,000 25,054,000 Capital adequacy ratio 15.7% 16.1% Tier 1 ratio 10.7% 11.1% [Aside from the sale of the professional finance and asset finance & leasing businesses and the deposit book of Investec Bank (Australia) Limited, a wholly owned subsidiary of the Issuer, on 31 July 2014 there has been no significant change in the financial or trading position of the Issuer and its consolidated subsidiaries since 31 March 2014, being the end of the most recent financial period for which it has published financial statements.] [There has been no material adverse change in the prospects of the Issuer since the financial year ended 31 March 2014, the most recent financial year for which it has published audited financial statements.]
B.13	**Recent Events:**	Not Applicable. There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of its solvency.
B.14	**Dependence upon other entities within the Group:**	The Issuer is a wholly owned subsidiary of Investec plc. The Issuer and its subsidiaries form a UK-based group (the "**Group**"). The Issuer conducts part of its business through its subsidiaries and is accordingly dependent upon those members of the Group. The Issuer is not dependent on Investec plc.
B.15	**The Issuer's Principal Activities:**	The principal business of the Issuer consists of 'Wealth & Investment and Specialist Banking'. The Issuer is an international, specialist banking group and asset manager whose principal business involves provision of a diverse range of financial services and products to defined target markets and a niche client base in the United Kingdom, Australia and South Africa. As part of its business, the Issuer provides investment management services to private clients, charities, intermediaries, pension schemes and trusts as well as specialist banking services focusing on corporate advisory and investment activities, corporate and institutional banking activities and private banking activities.
B.16	**Controlling Persons:**	The whole of the issued ordinary and preference share capital of the Issuer is owned directly by Investec plc. The Issuer is not indirectly controlled.
B.17	**Credit Ratings:**	[The long-term senior debt of the Issuer has a rating of BBB- as rated by Fitch. This means that Fitch is of the opinion that the Issuer has a good credit quality and indicates that expectations of default risk are currently low. The long-term senior debt of the Issuer has a rating of Baa3 as rated by Moody's. This means that Moody's is of the opinion that the Issuer is subject to moderate credit risk, is considered medium-grade, and as such may possess certain speculative characteristics. The long-term senior debt of the Issuer has a rating of BBB+ as rated by Global Credit Rating. This means that Global Credit Rating is of the opinion that the Issuer [has adequate protection factors and is considered sufficient for prudent investment. However, there is considerable variability in risk during economic cycles).] [The Notes to be issued have not been specifically rated.]

SECTION C – SECURITIES		
C.1	**Description of Type and Class of Securities:**	**Issuance in series**: The Notes will be issued in series ("**Series**") which may comprise one or more tranches ("**Tranches**") issued on different issue dates. The Notes of each Tranche of the same series will all be subject to identical terms, except for the issue dates and/or issue prices of the respective Tranches. [The Notes are issued as Series number [•], Tranche number [•]]. **Form of Notes**: The applicable Final Terms will specify whether the relevant Notes will be issued in bearer form ("**Bearer Notes**"), in certificated registered form ("**Registered Notes**") or in uncertificated registered form ("**Uncertificated Registered Notes**"). Registered Notes and Uncertificated Registered Notes will not be exchangeable for other forms of Notes and vice versa. [The Notes are issued in [bearer/certificated registered form/uncertificated

		registered form]]
		[Uncertificated Registered Notes will be held in uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**"). The Uncertificated Registered Notes will be participating securities for the purposes of the Regulations. Title to the Uncertificated Registered Notes will be recorded on the relevant Operator register of corporate securities (as defined in the Regulations) and the relevant "Operator" (as such term is used in the Regulations) is Euroclear UK and Ireland Limited (formerly known as CRESTCo Limited) or any additional or alternative operator from time to time approved by the Issuer and the CREST Registrar and in accordance with the Regulations. Notes in definitive registered form will not be issued either upon issue or in exchange for Uncertificated Registered Notes]. **Security Identification Number(s):** The following security identification number(s) will be specified in the Final Terms. [ISIN Code: [•] Common Code: [•] Sedol: [•]]
C.2	**Currency of the Securities Issue:**	**Currency:** Subject to any applicable legal or regulatory restrictions, the Notes may be issued in any currency (the "**Specified Currency**"). [The Specified Currency of the Notes is [•]]
C.5	**Free Transferability:**	The Notes are freely transferable. However, applicable securities laws in certain jurisdictions impose restrictions on the offer and sale of the Notes and accordingly the Issuer and the dealers have agreed restrictions on the offer, sale and delivery of the Notes in the United States, the European Economic Area, Isle of Man, South Africa, Guernsey and Jersey, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes in order to comply with relevant securities laws.
C.8	**The Rights Attaching to the Securities, including Ranking and Limitations to those Rights:**	**[Status:** The Notes are unsecured. The Notes will constitute direct, unconditional, unsubordinated obligations of the Issuer that will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.] **[Security and collateral:** The Notes are secured (the "**Secured Notes**"). The Notes will constitute direct, unconditional, unsubordinated secured obligations of the Issuer that will rank *pari passu* among themselves. The Issuer will create security over a collateral pool to secure a specified portion (the "**Secured Portion**") of its obligations in respect of the Notes. The collateral pool secures [this Series of Notes only / more than one Series of Secured Notes]]. **Interest**: The Notes are non-interest bearing. **Redemption of the Notes:** The Notes will be redeemed on their maturity date. In addition, the Notes may be redeemed prior to their stated maturity for taxation reasons, on account of certain events affecting the Preference Shares or following an event of default. [In the case of Notes which are linked to [a] Preference Share[s] which are credit linked to specified [Reference Entity/Reference Entities] ("**Credit Linked Notes**"), the Notes may be redeemed prior to their stated maturity if any such Reference Entity becomes insolvent, defaults on its payment obligations or is the subject of governmental intervention (where relevant) or a restructuring of its debt obligations (a "**Credit Event**").] [The Notes will also be redeemable at the option of the Issuer in whole (but not in part) upon giving notice to the Noteholders prior to such stated maturity on [•].] **Payments of Principal*:*** Payments of principal in respect of Notes will in all cases be calculated by reference to the percentage change in value of one or more preference shares issued by Zebra Capital II Limited ("**Preference Shares**") in respect of the relevant series of Notes. The terms of each class of Preference Shares will be contained in the Memorandum and Articles of Association of Zebra Capital II Limited and the Preference Share confirmation relating to such class. The redemption price of each class of Preference Shares will be calculated by reference to a single share, a basket of shares, an index or a basket of indices

<table>
<tr><td></td><td></td><td>
(the "Underlying"). [The Underlying for the Notes is [a single share/a basket of shares/ an index or a basket of indices].

[Credit linkage: [[100%][[•]%] of the Credit Linked Note is linked to [a] Preference Share[s] which is/are credit-linked to [a] specified [Reference Entity/Reference Entities], namely [•] (the "Credit Linked Preference Shares").]

Taxation: All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by the United Kingdom unless such withholding or deduction is required by law. In the event that any such deduction is made, [the Issuer will not be required to pay any additional amounts in respect of such withholding or deduction / the Issuer will pay additional amounts in respect of such withholding or deduction, subject to exemptions].

Denomination: The Notes will be issued in denominations of [•].

Governing Law: English law
</td></tr>
<tr><td>C.11</td><td>Listing and Trading:</td><td>
This document has been approved by the FCA as a base prospectus in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the Notes issued under the Programme described in this Base Prospectus during the period of twelve months after the date hereof. Application has also been made for the Notes to be admitted during the twelve months after the date hereof to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange plc (the "London Stock Exchange").

[Application will be made for the Notes to be admitted to listing on the Official List of the FCA and to trading on the London Stock Exchange effective as of [ ].]

[No application has been made for the Notes to be admitted to listing on the Official List of the FCA or to trading on the London Stock Exchange.]
</td></tr>
<tr><td>C.15</td><td>Effect of value of underlying instruments:</td><td>
The performance of an underlying asset/instrument (being an index, share, basket of shares or basket of indices (the "Underlying")), determines the redemption price and final value (on a one for one basis) of a class of preference share issued by Zebra Capital II Limited (the "Preference Share"), a special purpose vehicle incorporated in the Cayman Islands which is independent of the Issuer and whose business consists of the issuance of Preference Shares in connection with the Programme.

The percentage change in the final value of the relevant Preference Share or Preference Shares compared to its or their issue price is then used to calculate the value and return on the Notes.

As a result, the potential effect of the performance of the Underlying on the return on the Notes means that investors may lose some or all of their investment.

For the avoidance of doubt, the Notes are not backed by or secured on the Preference Shares and accordingly, only a nominal amount of the Preference Shares may be issued by Zebra Capital II Limited regardless of the principal amount of the applicable issuance of Notes by the Issuer.

In this section, for ease of explanation rather than refer to the Notes being linked to the value of the Preference Share which is in turn linked to the Underlying, the Notes (including the return on the Notes) are described as being linked to the Underlying.

[The redemption amount of the Notes is linked to the performance of [insert name of single share] / the basket of shares specified below:]
<table>
<tr><th>[Share Issuer]</th><th>[Name and short description of Shares (including ISIN Number)]</th><th>[Weighting]</th></tr>
<tr><td></td><td></td><td></td></tr>
</table>
The redemption amount of the Notes is linked to the performance of [the FTSE® 100 Index] [the S&P 500® Index] [the EuroSTOXX® Index] [the MSCI® Emerging Markets Index] [the HSCEI Index] [the DAX Index] [the S&P ASX 200 (AS51) Index] [the CAC 40 Index] [the Nikkei 225 Index] [the JSE Top40 Index] [the Finvex Sustainable Efficient Europe 30 Price Index] [the Finvex Sustainable Efficient World 30 Price Index] [the BNP Paribas SLI Enhanced Absolute Return Index] [the [NASDAQ Index]] [the Dow Jones Industrial Average Index] [the IBEX 35 Index] [the FTSE MIB Index] [the AEX Index] [the OMX STKH30 Index]
</td></tr>
</table>

[the SMI Index] [NIFTY Index] [the KOSPI 200 Index] [the EVEN 30™ Index] [the EURO 70™ Low Volatility Index] [•] / a basket of indices specified below:

[Index / Exchange]	[Weighting]

[If on one of the dates specified below (the "**Automatic Early Redemption Valuation Date**") the performance of the Underlying][If the arithmetic average of the performance of the Underlying [on each of the averaging dates (the "**Automatic Early Redemption Averaging Dates**")][during the averaging period (the "**Automatic Early Redemption Averaging Period**")] specified below], is greater than the level specified (the "**Automatic Early Redemption Level**"), the Notes will be redeemed at the relevant amount specified below (the "**Automatic Early Redemption Amount**") on the applicable date prior to maturity (the "**Automatic Early Redemption Date**"):]

[Automatic Early Redemption Valuation Date*	Automatic Early Redemption Date	Automatic Early Redemption Amount	Automatic Early Redemption Level
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial [Index Level][Share Price]

[*Provided that if the Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day shall be the Automatic Early Redemption Valuation Date.]

Automatic Early Redemption Valuation Date	Automatic Early Redemption Averaging Dates	Automatic Early Redemption Averaging Start Date	Automatic Early Redemption Averaging End Date
[•]	[•] [Automatic Early Redemption Valuation Date] [Automatic Early Redemption Period Applies]	[[•]/Not Applicable] [the [•] Scheduled Trading Day prior to the Automatic Early Redemption Averaging End Date]	[[•]/Not Applicable]

[Automatic Early Redemption Valuation Date	Automatic Early Redemption Averaging Period
[•]	[Each date from and including [•] (the "**Automatic Early Redemption Averaging Start Date**") and to and including [•](the "**Automatic Early Redemption Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each [Exchange]/[Index].]

[If on the Automatic Early Redemption Valuation Date the performance of the Underlying][If the arithmetic average of the performance of the Underlying [on each Automatic Early Redemption Averaging Date][during the Automatic Early Redemption Averaging Period] is greater than a specified level (the "**Kick Out Upside Return Threshold**"), investors will receive an additional return on their investment being a percentage based on the difference between the final level or price of the Underlying, and the Kick Out Upside Return Threshold.]

Automatic Early Redemption Valuation Date	Kick Out Upside Return	Kick Out Upside Return Threshold	Kick Out Gearing	Kick Out Cap
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Index Level/ Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]

[The market price or value of the Notes at any times is expected to be affected by changes in the value of the Preference Share and the Underlying [and the likelihood of the occurrence of a [Credit Event] in relation to [•] (the "**Reference Entities**" or "**Reference Entity**")].

[*Credit Linkage - General Recovery Rate*]

[If [one or more of] the Reference Entity/Entities becomes subject to a Credit

		Event, the value of the portion of the Notes linked to the relevant Reference Entity (the "**Relevant Portion**") will be linked to a recovery rate (the "**Recovery Rate**") determined by reference to an auction coordinated by the International Swaps and Derivatives Association, Inc. ("**ISDA**") in respect of certain unsubordinated debt obligations of the Reference Entity/Entities or, in certain circumstances, including if such an auction is not held, a market price as determined by Investec Bank plc in its capacity as preference share calculation agent (the "**Preference Share Calculation Agent**"). Details regarding ISDA auctions can be obtained as of the date hereof on ISDA's website, which is currently [www.isda.org]/[•].] [*Credit Linkage – Zero Recovery Rate*] [If [one or more of] the Reference Entities becomes subject to a [[Credit Event], the value of the portion of the Notes linked to the relevant Reference Entity through (the "**Relevant Portion**") will be effectively zero.]
C.16	**Expiration or maturity date:**	The Maturity Date of the Notes is [•].
C.17	**Settlement procedure:**	The Notes will be cash-settled.
C.18	**Return on securities:**	The Notes that may be issued under the Programme are Upside Notes with Capital at Risk, Upside Plus Notes with Capital at Risk, Kick Out Upside Plus Notes with Capital at Risk, Kick Out Notes with Capital at Risk, Multi Equity Kick Out Notes with Capital at Risk, N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk or Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk. The performance of an underlying asset (being an index, share, basket of shares or basket of indices (the "**Underlying**")), determines the redemption price of a class of preference shares (the "**Preference Share**"). This redemption price is used to calculate the final value of such Preference Share on a one for one basis. The percentage change in the final value of the Preference Share as against its issue price is then used to calculate the return on the Notes. **As a result, the potential effect of the value of the underlying on the return on the Notes means that investors may lose some or all of their investment.** *In this section, for ease of explanation rather than refer to the Notes being linked to the value of the Preference Share which is in turn linked to the Underlying, Notes (including the return on the Notes) are described as being linked to the Underlying.* *In this Element C, if the applicable Notes are linked to Preference Shares which are not linked to an index but are linked to a share, basket of shares or basket of indices, any reference in this Element C to "index" shall be construed as including, in the alternative, a reference to "share", "basket of indices" and "basket of shares" (as applicable) and, consequently, references to:* (i) *"level" in respect of a single index shall be construed as references to "price" in respect of a single share, "the weighted average of the level of each index in the basket" in respect of a basket of indices, and "the weighted average of the price of each share in the basket" in respect of a basket of shares;* (ii) *"initial index level" in respect of a single index shall be construed as "initial share price" in respect of a single share, "the weighted average of the initial index level of each index in the basket" in respect of a basket of indices, and "the weighted average of the initial share price of each share in the basket" in respect of a basket of shares; and* (iii) *"final index level" in respect of a single index shall be construed as references to "final share price" in respect of a single share, "the weighted average of the final index level of each index in the basket" in respect of a basket of indices, and "the weighted average of the final share price of each share in the basket" in respect of a basket of shares.* [**Upside Notes with Capital at Risk**: The Notes are zero coupon Upside Notes with Capital at Risk.

The return on the Notes at maturity will be based on the performance of an underlying index and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

Scenario A – Upside Return or Digital Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive:

- "Upside Return" being their initial investment plus a percentage based on the difference between the final level or price of the Underlying, and the initial level or price of the Underlying (as applicable); this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied); or
- "Digital Return" being their initial investment multiplied by a specified percentage return.

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "Trigger Event"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event* has occurred, an investor's investment will be reduced by either:

- "Downside Return 1" being an amount linked to the decline in performance of the Underlying (the "**downside**"); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied); or
- "Downside Return 2", being an amount linked to the downside performance of the Underlying between certain specified levels (such levels being the "Upper Strike" and the "Lower Strike" respectively); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied).]

[Upside Plus Notes with Capital at Risk: The Notes are zero coupon Upside Plus Notes with Capital at Risk.

Scenario A – Upside Plus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive:

- "Digital Return" being their initial investment multiplied by a specified percentage return.

If at maturity the level or price of the Underlying has increased by more than a specified percentage of the initial level or price of the Underlying, an investor will receive the Digital Return plus:

- "Upside Return" being a percentage based on the difference between the final level or price of the Underlying, and the specified percentage of the initial level or price of the Underlying; this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied).

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "Trigger Event"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event* has occurred, an investor's investment will be reduced by either:

- "Downside Return 1" being an amount linked to the decline in performance of the Underlying (the "**downside**"); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied); or
- "Downside Return 2", being an amount linked to the downside performance of the Underlying between certain specified levels (such levels being the "Upper Strike" and the "Lower Strike" respectively); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied).]

[Kick Out Upside Plus Notes with Capital at Risk: The Notes are zero coupon Kick Out Upside Plus Notes with Capital at Risk.

These Notes have the potential for early maturity (kick out) on a certain date or dates specified in the Final Terms, depending on the level or price of the Underlying at that time. If the Notes kick out early an investor will receive a return of their initial investment plus a fixed percentage payment.

[If "Kick Out Upside Return" is specified in the Final Terms as applicable to the relevant kick out date, if on such kick out date the level or price of the Underlying has increased by more than a specified percentage (being the "**Kick Out Upside Return Threshold**") of the initial level or price of the Underlying, an investor will also receive an amount (being the "**Kick Out Upside Return**") linked to the growth of the Underlying above the Kick Out Upside Return Threshold. This additional Kick Out Upside Return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied).]

If there has been no kick out, the return on the Notes at maturity will be based on the performance of the Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The potential payouts at maturity for Kick Out Upside Plus Notes with Capital at Risk are as follows:

Scenario A – Upside Plus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive:

- "Digital Return" being their initial investment multiplied by a specified percentage return.

If at maturity the level or price of the Underlying has increased by more than a specified percentage of the initial level or price of the Underlying, an investor will receive the Digital Return plus:

- "Upside Return" being a percentage based on the difference between the final level or price of the Underlying, and the specified percentage of the initial level or price of the Underlying; this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied).

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "Trigger Event"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event* has occurred, an investor's investment will be reduced by either:

- "Downside Return 1" being an amount linked to the decline in performance of the Underlying (the "**downside**"); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied); or
- "Downside Return 2", being an amount linked to the downside performance of the Underlying between certain specified levels (such levels being the "Upper Strike" and the "Lower Strike" respectively); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied).]

[**Kick Out Notes with Capital at Risk**: The Notes are zero coupon Kick Out Notes with Capital at Risk.

These Notes have the potential for early maturity (kick out) on a certain date or dates specified in the Final Terms, depending on the level or price of the Underlying at that time. If the Notes kick out early an investor will receive a return of their initial investment plus a fixed percentage payment.

If there has been no kick out, the return on the Notes at maturity will be based on the performance of the Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The potential payouts at maturity for Kick Out Notes with Capital at Risk are as follows:

Scenario A – Upside Return or Digital Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive either:

- "Upside Return", being their initial investment plus a percentage based on the difference between the final level or price of the Underlying, and the initial level or price of the Underlying (as applicable); this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied); or
- "Digital Return", being their initial investment multiplied by a specified percentage.

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "Trigger Event"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of the Underlying at maturity.]

[**Multi Equity Kick Out Notes with Capital at Risk**: The Notes are zero coupon Multi Equity Kick Out Notes with Capital at Risk.

These Notes have the potential for early maturity (kick out) on a certain date or dates specified in the Final Terms, depending on the level of the worst performing of two or more Underlyings at that time. If the Notes kick out early an investor will receive a return of their initial investment plus a fixed percentage payment.

If there has been no kick out, the return on the Notes at maturity will be based on the performance of the worst performing of two or more Underlyings, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The worst performing Underlying is the Underlying whose level or price at any relevant time shows the largest percentage decrease when compared to its initial level or price.

The potential payouts at maturity for Multi Equity Kick Out Notes with Capital at Risk are as follows:

Scenario A –Digital Return

If at maturity the level or price of the worst performing of two or more Underlyings is greater than a specified percentage of the initial level or price of such worst performing Underlying, an investor will receive their initial investment multiplied by a specified percentage return (i.e. a "**Digital Return**").

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "Trigger Event"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the worst performing Underlying is less than or equal to a specified percentage of the initial level or price of such Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the worst performing Underlying is equal to a specified percentage of the initial level or price of such Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the worst performing of two or more Underlyings is less than or equal to a specified percentage of the initial level or price of such worst performing Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event* has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of such worst performing Underlying at maturity.]

[**N Barrier Equity Linked Notes (Accumulation) with Capital at Risk:** The Notes are zero coupon N Barrier Equity Linked Notes (Accumulation) with Capital at Risk.

The return on the Notes at maturity will be based on the performance of the Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The return on the Notes at maturity may include a specified bonus (a "**Bonus Return**"). The Bonus Return will accrue in respect of each specified period at the end of which the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying (the "**Bonus Level**").

The Bonus Return in respect of each specified period is determined independently and paid to the investor at maturity.

The final level of the Underlying at maturity is used to determine the return of the initial investment, together with any additional return, which is paid in addition to any Bonus Returns which are due in respect of the specified periods.

The potential payouts at maturity for N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk are as follows:

Scenario A – Digital Return plus Bonus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive their initial investment multiplied by a specified percentage return (being the "**Digital Return**") on the initial investment, plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the Bonus Level.

Scenario B – No Return on Investment and Bonus Return

At maturity investors may receive back their initial investment plus any accumulated Bonus Return(s) in the following circumstances, depending on whether a "Trigger Event"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), provided that a Trigger Event has not occurred, an investor will receive its initial investment plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the Bonus Level.]

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the Bonus Level.

Scenario C – Loss of Investment and Bonus Return

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), and (where specified as applicable in the Final Terms) a "Trigger Event" has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of the Underlying at maturity. The total return to the investor will then be equal to the initial investment after the reduction due to the fall in the level of the Underlying plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the specified percentage of the initial level of price of the Underlying.]

[**Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk**: The Notes are zero coupon Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk.

The return on the Notes at maturity will be based on the performance of the Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The return on the Notes at maturity may include a specified bonus (a "**Bonus Return**"). The Bonus Return will accrue in respect of the number of days in each specified period during which the level or price of the Underlying is within a specified range of the initial level or price of the Underlying, between the "Range Upper Level" and the "Range Lower Level". The Bonus Return in respect of each specified period is determined independently and paid to the investor at maturity.

The final level of the Underlying at maturity is used to determine the return of the initial investment, together with any additional return, which is paid in addition to any Bonus Returns which are due in respect of the specified periods.

The potential payouts at maturity for Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk are as follows:

Scenario A – Digital Return and/or Bonus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive

		their initial investment plus a specified percentage return (if any) on the initial investment, plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level. *Scenario B – No Return on Investment and Bonus Return* At maturity investors may receive back their initial investment plus any accumulated Bonus Return(s) in the following circumstances, depending on whether a "Trigger Event"* is specified as applicable in the Final Terms. • If Trigger Event is specified as applicable in the Final Terms: If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), provided no Trigger Event has occurred, an investor will receive its initial investment plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level. • If Trigger Event is not specified as applicable in the Final Terms: If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level. *Scenario C – Loss of Investment and Bonus Return* If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), and (where specified as applicable in the Final Terms) a "Trigger Event" has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of the Underlying at maturity. The total return to the investor will then be equal to the initial investment after the reduction due to the fall in the level of the Underlying plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level.] [*A "Trigger Event", where specified as applicable in the relevant Final Terms, is the fall in the level or price of the Underlying below a specified percentage of the initial level or price of the Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.] **[Credit Linked:** The Notes are linked Preference Shares which are linked to the solvency of [•] (the "**Reference [Entity/Entities]**"). If a Reference Entity becomes insolvent, defaults on its payment obligations or is the subject of a governmental intervention (where relevant) or a restructuring of its debt obligations then the redemption price which would otherwise be payable in respect of the Relevant Portion will be reduced. The redemption price payable in respect of the insolvency of the Reference Entity will be [determined by reference to an auction coordinated by the International Swaps and Derivatives Association, Inc. ("**ISDA**") in respect of certain unsubordinated debt obligations of the Reference Entity/Entities or, in certain circumstances, including if such an auction is not held, a market price as determined by Investec Bank plc in its capacity as preference share calculation agent (the "**Preference Share Calculation Agent**"). Details regarding ISDA auctions can be obtained as of the date hereof on ISDA's website, which is currently [www.isda.org]/[•].[effectively zero]]
C.19	**Exercise price or final reference price of the underlying:**	The performance of an underlying asset (being an index, share, basket of shares, basket of indices or worst performing index or share in a basket of indices or shares). [The "**Underlying**" for the Notes is [a single share/a basket of shares/an index or a basket of indices], determines the redemption price of a class of preference share (the "**Preference Share**"), such redemption price being used to calculate the final value of such Preference Shares on a one for one basis. The percentage change in the final value of the Preference Share compared to its issue price is then used to calculate the return on the Notes]. *In this section, for ease of explanation rather than refer to the Notes being linked to the value of the Preference Share which is in turn linked to the*

		Underlying, Notes (including the return on the Notes) are described as being linked to the Underlying. The determination of the performance of the Underlying will be carried out by the Preference Share Calculation Agent, being Investec Bank plc. The Preference Shares Calculation Agent will compare an initial [level/price] of the Underlying with a final [level/price] of the Underlying. The initial [level/price] of the Underlying will be the [arithmetic average of the] [lowest] [official] [closing] [level/price] [as at the Valuation Time] [on each initial averaging date] [on the Issue Date] [on each scheduled trading day in the period from and including an initial strike date to and including the final strike date]. [The final [level/price] of the Underlying] [the level/price of the Underlying used to determine the Bonus Return/whether or not an automatic early redemption is applicable] will be the [arithmetic average of the] [the highest] [official] [closing] [level/price] as at the Valuation Time] [on each [final/bonus/automatic early redemption] averaging date] [on each scheduled trading day in the period from and including an final/bonus/automatic early redemption averaging start date to and including the final/bonus/automatic early redemption averaging end date] [on the final redemption valuation date].] [The determination of the recovery rate on a Credit Event relating to the Reference Entity/Entities will be carried out by the Preference Share Calculation Agent.] [The determination of the redemption amount of the Notes will be carried out by the Calculation Agent, being [•].]
C.20	**Type of the underlying:**	(see table below)

[Share Issuer]	**[Name and short description of Shares (including ISIN Number)]**	**[Weighting]**	**Where information can be obtained about the past and the further performance of the [share]]**

OR

[Index / Exchange]	**[Weighting]**	**Where information can be obtained about the past and the further performance of the [index]]**

SECTION D – RISKS		
D.2	**Risks specific to the issuer:**	**The Issuer's businesses, earnings and financial condition may be affected by the instability in the global financial markets and economic crisis in the eurozone:** The performance of the Issuer may be influenced by the economic conditions of the countries in which it operates, particularly the UK and Australia. The outlook for the global economy is uncertain, in particular in European markets due to sovereign debt and speculation around the future of the euro. These market conditions have exerted downward pressure on asset prices and on availability and cost of credit for financial institutions and will continue to impact the credit quality of the Issuer's customers and counterparties. The Issuer may experience increased funding costs and find continued participation in certain markets more challenging. The risk of one or more countries leaving the euro may also have an impact on the Issuer's UK market. Such conditions may cause the Issuer to incur losses, experience reductions in business activity, find continued participation in certain markets more challenging, and experience increased funding costs and funding pressures, lower share prices, decreased asset values, additional write-downs and impairment charges and lower profitability. The precise nature of all the risks and uncertainties the Issuer faces as a result of current economic conditions cannot be predicted and many of these risks are outside the control of the Issuer and materialisation of such risks may adversely affect the Issuer's financial condition and results of operations. **The Issuer's business performance could be affected if its capital resources and liquidity are not managed effectively:** The Issuer's capital and liquidity is critical to its ability to operate its businesses, to grow organically and to take advantage of strategic opportunities. The Issuer is required by regulators in the UK, Australia and other

		jurisdictions to maintain adequate capital and liquidity. Proposals relating to Basel III, the Capital Requirements Directive IV and those of the UK Independent Commission on Banking are likely to impact the management methods of the Issuer in relation to liquidity and capital resources and may also increase the costs of doing business. Any onerous regulatory requirements introduced by regulators could result in inefficiencies in the Issuer's balance sheet structure which may adversely impact the Issuer's profitability and results. Any failure to maintain any increased regulatory capital requirements or to comply with any other requirements introduced by regulators could result in intervention by regulators or the imposition of sanctions, which may have a material adverse effect on the Issuer's profitability and results. The maintenance of adequate capital and liquidity is also necessary for the Issuer's financial flexibility in the face of any turbulence and uncertainty in the global economy. Extreme and unanticipated market circumstances, similar to those experienced in the recent global financial crisis and situations arising from a further deterioration in the Eurozone, may cause exceptional changes in the Issuer's markets, products and other businesses. Any exceptional changes that limit the Issuer's ability effectively to manage its capital resources could have a material adverse impact on the Issuer's profitability and results. If such exceptional changes persist, the Issuer may not have sufficient financing available to it on a timely basis or on terms that are favourable to it to develop or enhance its businesses or services, take advantage of business opportunities or respond to competitive pressures. **The Issuer has significant exposure to third party credit risk:** The Issuer is exposed to the risk that if third parties which owe the Issuer money, securities or other assets become unable to perform their obligations, the Issuer's funding will be affected. The resulting risk to Investors is that Investors may suffer a loss on their investment if the Issuer is unable to perform its payment obligations under any Notes it issues.
D.6	**Risks specific to the securities:**	**Capital at Risk:** The Notes are not capital protected. Accordingly, there is no guarantee that the return on a Note will be greater than or equal to the amount invested in the Notes initially or that an investor's initial investment will be returned. Investors may lose some or all of their initial investment. Unlike an investor investing in a savings account or similar investment, where an investor may typically expect to receive a low return but suffer little or no loss of their initial investment, an investor investing in the Notes may expect to potentially receive a higher return but may also expect to potentially suffer a total or partial loss of their initial investment. **Return linked to performance of the relevant Preference Share:** The return on the Notes is calculated by reference to the percentage change in value of one or more preference shares, the redemption price on such preference shares being based on the performance of an underlying asset (being an index, share, basket of shares or basket of indices (the "**Underlying**")). Poor performance of the relevant Underlying could result in investors, at best, forgoing returns that could have been made had they invested in a different product or, at worst, losing some or all of their initial investment. *In this section, for ease of explanation, the return on the Notes is summarised by reference to the performance of the Underlying rather than the applicable Preference Share.* **Loss of investment**: Other than where the Final Terms specify that Barrier is applicable and the level of the index has not breached a certain specified level at a specified time or during a specified period (the "**Barrier**"), if at maturity the level of the Underlying is less than a certain other specified level (the "**Return Threshold**"), the return on the Notes will be: **[less than the initial investment and investors will suffer a reduction of their initial investment in proportion (or a proportion multiplied by a gearing percentage) with the decline in the performance of the [index level][share price] (the "downside") during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant [index level][share price] and, as a result, may lose all of their initial investment;]**

[less than the initial investment and investors will suffer a reduction of their initial investment in proportion (which proportion may be multiplied by a gearing percentage) with the decline in the performance of the [index level][share price] (the "downside") between the upper strike and the lower strike during a specified period or on a specified date. Accordingly investors will be exposed to a proportion of the downside of the relevant [index level][share price] and, as a result, may lose all of their initial investment.]

Leverage factor (Gearing): The return on the Notes may be subject to a leverage factor of less than 100% and accordingly the investors may receive a lower Upside Return than they would have done had the Notes not been subject to Gearing. Conversely, if the Notes are subject to a leverage factor of more than 100%, a small downward movement in the final level or price of the relevant Underlying could result in investors suffering significant losses.

Capped return: The return on the Notes may be capped, and accordingly the investors may receive a lower Upside Return than they would have done had the Notes not been subject to a Cap. This could result in the investors forgoing returns that could have been made had they invested in a product without a similar cap.

[Bonus return: The return on [Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk]/[N Barrier Equity Linked Notes (Accumulation) with Capital at Risk] has a bonus portion payable based on the number of days the level or price of the relevant Underlying is [within a certain range]/[above a certain level] (or, in the case of N Barrier Equity Linked Notes (Accumulation) with Capital at Risk, at a certain level) at a certain time each day over the lifetime of the Notes. As the number of days on which the level or price of the relevant Underlying is [outside such range/below a certain level (or, in the case of N Barrier Equity Linked Notes (Accumulation), below a certain level) increases, the return to Noteholders will decrease. Investors will therefore be exposed to the risk of a prolonged [increase or] decline in[, or volatility of,] the relevant Underlying that causes the Underlying level or price of the relevant Underlying to fall [outside of the specified range] [below a specified level, resulting in a decrease in the return on the Notes.]

[Key risks specific to secured Notes

[Security may not be sufficient to meet all payments: Any net proceeds realised upon enforcement of any security granted by the Issuer over a pool of collateral ("**Collateral Pool**") will be applied in or towards satisfaction of the claims of, among others, the security trustee and any appointee and/or receiver appointed by the trustee in respect of the Notes before the claims of the holders of the relevant secured Notes. Since the net enforcement proceeds may not be sufficient to meet all payments in respect of the secured Notes, investors may suffer a loss on their investment.]

[Collateral Pool may secure more than one series of secured Notes: A Collateral Pool may secure the Issuer's obligations with respect to more than one series of Secured Notes and an event of default under the Notes with respect to any one series of Secured Notes secured by such Collateral Pool may trigger the early redemption of all other series that are secured by the same Collateral Pool in order for the security over the entire Collateral Pool to be enforced. Such cross-default may, among other things, result in losses being incurred by holders of the Secured Notes which would not otherwise have arisen.]

[Substitution of Posted Collateral: Collateral posted as security for the Issuer's obligations under the Notes may, at the Issuer's request, be substituted for other items of new collateral, provided that on the date of transfer the bid price of the new collateral is equal to or exceeds the bid price of the original collateral. Any such substitution request is subject to (a) verification by the entity appointed as the verification agent that the new item of collateral is eligible collateral; and (b) approval by the Trustee. However, neither the verification agent nor the Trustee is obliged to confirm that the bid price of the new item of collateral is equal to or exceeds the bid price of the original item of posted collateral. Following any such substitution, the market value of the new item of collateral may fall below the value of the original item of posted collateral, and the net proceeds realised upon enforcement of the relevant Collateral Pool may therefore be less than if no such substitution had

		been made.] [**Partial Collateralisation** – The Notes are partially rather than fully secured. As [•]% of the Notes are secured this means that the remaining [•]% of the Notes are exposed to the risk of insolvency of the Issuer. If the Issuer became insolvent, an investor's return on the unsecured portion of the Notes may be substantially reduced and may be reduced to zero.] ***[Key risks related to Credit Linked Notes]*** [**Credit Linkage:** The Notes (or a portion thereof) are linked to [a] Preference Share[s] which [is/are] linked to the credit of [•][, [•] and [•]] (the "**Reference [Entity/Entities]**") and are not capital protected ("**Credit Linked Notes**"). If a Reference Entity becomes subject to a "**Credit Event**" (broadly speaking if it becomes insolvent, defaults on its payment obligations or is the subject of governmental intervention (where relevant) or a restructuring of its debt obligations), then the redemption price which would otherwise be payable in respect of the Relevant Portion will be reduced in accordance with the Recovery Rate (as defined below). In addition to being exposed to the risk of insolvency of the Issuer, investors in Credit Linked Notes will also be exposed to the risk of a Credit Event of the specified Reference Entity or Reference Entities. There is a risk that an investor in a Note that is Credit Linked may receive considerably less than the amount paid by such investor, regardless of any positive performance in the Underlying. If all of the Reference Entities become subject to a Credit Event, an investor's return on the Notes may be zero. **As in the case of other Notes, Credit Linked Notes are not capital protected and investors may lose all or a substantial portion of their initial investment.**] [**Recovery Rate in Credit Linked Notes – General Recovery Rate:** The redemption price payable on the Relevant Portion of the Notes following the occurrence of a Credit Event in respect of a Reference Entity will be determined by reference to the recovery rate for such Reference Entity/Entities, determined by reference to an auction coordinated by ISDA in respect of certain obligations of the Reference Entity/Entities or, in certain circumstances, including if such an auction is not held, a market price as determined by the Preference Share Calculation Agent (the "**Recovery Rate**"). There is a risk that the return payable to an investor in a Credit Linked Note may be different from the return that investors would have received had they been holding a particular debt instrument issued by the Reference Entity/Entities. [**Recovery Rate in Credit Linked Notes – Zero Recovery Rate** [If [one or more of] the Reference Entities becomes subject to a Credit Event, the value of the portion of the Notes linked to such Reference Entity will be effectively zero (the "**Recovery Rate**").] [**Postponement in payment of Final Redemption Amount – Credit Linked Notes:** Each Note will be settled on its [scheduled maturity date] except that, if the Recovery Rate cannot be determined by the Preference Share Calculation Agent by the scheduled maturity date, payment of the Final Redemption Amount in respect of the Relevant Portion of such Note may be delayed and may fall after the Note's scheduled maturity date. Payment of the Final Redemption Amount may be delayed by up to 60 calendar days plus eight business days.]

SECTION E – OFFER		
E.2b	**Reasons for the Offer and Use of Proceeds:**	Not applicable. The use of proceeds is to make a profit and/or hedge risks.
E.3	**Terms and Conditions of the Offer:**	[The Notes will be offered to retail investors in [•]. (i) **Offer Price**: [The offer price for the Notes is [•] per cent.] [•] (ii) **Offer Period**: The offer period for the Notes will commence on [•] and end on [•]. (iii) **Conditions to which the offer is subject**: [•] (iv) **Description of the application process**: [•] (v) **Details of the minimum and/or maximum amount of application**: [•]

		(vi) **Details of the method and time limits for paying up and delivering the Notes**: [•] (vii) **Manner in and date on which results of the offer are to be made public**: [The final size will be known [at the end of the Offer Period] / [•]. A copy of the Final Terms will be filed with the Financial Conduct Authority in the UK (the "**FCA**"). On or before the Issue Date, a notice pursuant to UK Prospectus Rule 2.3.2(2) of the final aggregate principal amount of the Notes will be (i) filed with the FCA and (ii) published in accordance with the method of publication set out in Prospectus Rule 3.2.4(2).] [•] (viii) **Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made**: [•] (ix) **Amount of any expenses and taxes specifically charged to the subscriber or purchaser**: [•] (x) **Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place**: [•]] [Not Applicable. The Notes will not be publicly offered.]
E.4	**Interests Material to the Issue:**	The Issuer may be the Calculation Agent responsible for making determinations and calculations in connection with the Notes and may also be the Preference Share Calculation Agent and the valuation agent in connection with the Preference Share(s). Such determinations and calculations will determine the amounts that are required to be paid by the Issuer to holders of the Notes. Accordingly, when the Issuer acts as Calculation Agent, Preference Share Calculation Agent or Valuation Agent its duties as agent (in the interests of holders of the Notes) may conflict with its interests as Issuer of the Notes.
E.7	**Estimated Expenses:**	Not applicable. Expenses in respect of the offer or listing of the Notes are not charged by the Issuer or Offeror or Dealer to the investor.

RISK FACTORS

Guidance on this Risk Factors section

References to the "**Issuer**" are references to Investec Bank plc, and references to the "**Notes**" are references to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**").

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider the risk factors associated with any investment in the Notes, together with all other information contained in this Base Prospectus.

This Risk Factors section contains information about the risks involved in an investment in any Notes issued under the Programme, which the Issuer considers to be the principal risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes and/or risk factors that are material for the purposes of assessing the market risk associated with the Notes. This section is divided into a number of sub- sections, details of which are set out in the table below.

Name of sub - section	***Page***	***Relevant for***	***Explanation***
1) Risks related to the Issuer	21	All investors	This sub-section describes the risk factors which the Issuer deems to be material in respect of its ability to perform the obligations required as issuer of Notes.
2) Risks related to the structure of Notes	21	All Notes	This sub-section describes the risks which the Issuer considers to be material in respect of all Notes.
3) Risks related to the Underlying	23	All Notes	This sub-section describes how risks applicable to the Underlying affect the value of the Notes.
4) Risks related to specific types of Notes	27	Any investor in any type of Note specified	This sub-section describes the risks connected to an investment in each of the specific type of Notes covered by this Base Prospectus. Certain risks will only apply to Notes which have certain specific features specified as applicable in the relevant Final Terms.
5) Risks related to Secured Notes	34	Investors in Secured Notes only	This sub-section describes the risks that may affect investors in Notes which have the benefit of security for the Issuer's obligations.
6) Risks related to Credit Linked Notes	36	Investors in Notes with Credit Linkage only	This sub-section describes the risks that may affect investors in Notes which have an additional credit linkage feature.
7) Risks related to Preference Shares	44	All Notes	This sub-section describes how the risks applicable to Preference Shares affect the value of the Notes.
8) Risks related to the legal framework	46	All Notes	This sub-section describes how the risks resulting from the legal framework applicable to the Notes affect holders of the Notes.

9) Risks related to the market generally	48	All Notes	This sub-section describes how market risks may affect an investment in the Notes.

Prospective investors should note that the risks relating to the Issuer, the industry in which it operates and the Notes summarised in the section of this Base Prospectus headed "*Summary*" are the risks that the Issuer believes to be those risks which are key to an assessment by a prospective investor of whether to consider an investment in the Notes. However, as the risks which the Notes are subject to and which the Issuer faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Base Prospectus headed "*Summary*" (and set out in more detail below) but also, among other things, the other risks and uncertainties described below.

The following is not intended to be an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Issuer or the Notes that are not currently known to the Issuer, or that the Issuer currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer, the value of the relevant Preference Shares, the value of the security or index underlying the Notes or the Notes themselves, and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances. The Notes are designed for investors who have access to a suitably qualified independent financial adviser or who have engaged a suitably qualified discretionary investment manager, in order to understand the characteristics and risks associated with structured financial products.

Unless specified otherwise, words and expressions defined in the terms and conditions of the Notes (the "**Terms and Conditions**") have the same meanings in this section.

1. **Risks related to the Issuer**

Risks relating to the Issuer's ability to fulfil its obligations with respect to the Notes can be found on pages 4 to 17 of the registration document dated 22 July 2014 (the "**Registration Document**") in the section headed "*Risk Factors*" which has been incorporated by reference on page 50 of this Base Prospectus. In particular, investors should be aware that payments and return of initial investment in relation to the Notes will, together with the factors outlined below, depend on the solvency of the Issuer.

2. **Risks related to the structure of Notes**

(a) ***Capital at Risk***

The value of the Notes issuable under the Programme (being either Upside Notes with Capital at Risk, Upside Plus Notes with Capital at Risk, Kick Out Upside Plus Notes with Capital at Risk, Kick Out Notes with Capital at Risk, Multi Equity Kick Out Notes with Capital at Risk, N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk or Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk) prior to maturity depends on a number of factors including the performance achieved by a specified share, basket of shares, index or basket of indices to which that particular Note is linked (the "**Underlying**") until that time, interest rates, volatility and time to maturity. In addition, the Notes may be linked to the credit of one or more specified financial institution(s) or corporation(s) listed on a regulated exchange or any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) thereof (a "**Sovereign**") (each a "**Reference Entity**") which is outside of the Issuer's control. Accordingly, **deterioration in the performance of the Underlying or the occurrence of a Credit Event in respect of one or more of the Reference Entity(ies) (as further**

described in Section 6 (*Risks related to Credit Linked Notes*) below) may result in a total or partial loss of the investor's investment in the Notes.

Accordingly, the Notes are not capital protected and there is no guarantee that the return on a Note will be greater than or equal to the amount invested in the Notes initially or that an investor's initial investment will be returned. As a result of the performance of the relevant Underlying or the occurrence of a Credit Event in relation to one or more of the named Reference Entities, **an investor may lose all of their initial investment**.

Unlike an investor investing in a savings account or similar investment, where an investor may typically expect to receive a low return but suffer little or no loss of their initial investment, an investor investing in the Notes may expect to potentially receive a higher return but may also expect to potentially suffer a total or partial loss of their initial investment.

(b) ***No Ownership Rights***

An investment in the Notes is not the same as an investment in the Underlying (or any component of the Underlying) and does not confer any legal or beneficial interest in any Underlying (or any component of the Underlying) or any Reference Entit(y/ies) or any voting rights, rights to receive dividends or other rights that an owner or a holder of any Underlying (or any component of the Underlying) or any Reference Entit(y/ies) would have. **Accordingly, an investor in the Notes may not benefit from the same rights as a person investing directly in the Underlying** or any Reference entit(y/ies) (i.e. a purchaser of shares or securities forming part of an underlying share, basket of shares or component of an index or any financial institution(s) or corporation(s) listed on a regulated exchange or Sovereign(s) named as a Reference Entity).

The Notes are unsubordinated and (other than Secured Notes (as defined below)) unsecured obligations of the Issuer. Save when the Underlying or debt obligations of the Reference Entity forms part of the collateral in respect of Secured Notes, no security has been taken in respect of the Underlying or Reference Entity. **Accordingly, investors in the Notes have less protection in the event of the insolvency of the Issuer than investors in a product which is secured on certain assets or other security.**

(c) ***Information risk***

(i) *Underlying*

The share(s) constituting the Underlying (i.e. where the Underlying is a share or basket of shares) or a component of the Underlying (i.e where the Underlying is an index or basket of indices) are listed on a regulated exchange. Accordingly, information is available in the public domain regarding the company(y/ies) whose shares comprise the Underlying. In addition, where the Underlying is an index or basket of indices, information is available in the public domain regarding the Underlying itself. The Issuer has made no investigation regarding such company(y/ies) and this Base Prospectus contains no information regarding such company(y/ies) except for such information which will be included in the Final Terms. The Final Terms for each issue of Notes will also provide an indication of where information about the past and the ongoing performance of the Underlying (or components thereof) can be obtained, however there is a risk that such sources of information will not contain all material events regarding the Underlying.

In addition, no company whose shares constitute or comprise the Underlying, nor any sponsor of any index constituting or comprising the Underlying, has participated in the preparation of this Base Prospectus or any Final Terms.

Prospective investors should understand that the **historical performance of the Underlying or any component of the Underlying is not predictive of future results.**

(ii) *Reference Entities*

Reference Entities will be one or more financial institutions or corporations listed on a regulated exchange or Sovereigns, about which there is available public information. No investigation has been or will be made regarding any of the Reference Entities. Prospective investors of Credit Linked Notes should consider the risks relating to Reference Entities as if they were investing directly in the debt obligations of the Reference Entities. In addition, investors should understand that the historical performance of any specific debt obligation or the debt obligations of such Reference Entities generally is not predictive of future performance. The Reference Entities have not participated in the preparation of this Base Prospectus or any Final Terms. **The Final Terms will provide details of where information on the Reference Entity can be obtained, however, there is a risk that such information will not contain all material events or information regarding the Reference Entities.**

3. **Risks related to the Underlying**

The price at which a holder may be able to sell the Notes prior to maturity may be at a discount, which could be substantial, to the initial investment, based upon one or more of the factors described below.

The factors that will affect the trading value and return at maturity of the Notes interrelate in complex ways (for example, one factor may offset an increase in the trading value of the Notes caused by another factor). Factors that may impact the value of the Notes, assuming other conditions remain constant, include:

(a) ***Risk factors affecting the value of and return on the Notes***

In this section, for ease of explanation rather than refer to the Notes being linked to the value of the Preference Share which is in turn linked to the Underlying, the Notes (including the return on the Notes) are described as being linked to the Underlying.

(i) *Value of the Underlying*

The redemption amount of and return on a Note will in all circumstances be determined by reference to the level or price of an Underlying. Therefore, any reduction in the level or price of the Underlying can be expected to result in a corresponding reduction in the redemption amount and trading value of the Note. Accordingly, and since the Notes are not capital protected, it is possible that **the return on a Note and its value at any time may be considerably less than the amount paid by the investor for such Note and may even be zero.**

(ii) *Value of baskets and indices*

Where the Underlying is a basket of shares, an index or a basket of indices, the value or level of the Underlying (and accordingly the return on the Notes) may be affected by the number of companies represented in such basket or index.

Generally, the value of a basket of shares or an index that includes shares from a number of companies which gives relatively equal weight to the shares of each of such companies will be less affected by changes in the value of any particular shares included therein than a basket of shares or index that includes the shares of fewer companies or that gives greater weight to the shares of some of the companies included therein. In addition, if the shares included in a basket of shares or index are of companies in a particular industry sector, the value of such a basket or index will be more affected by the economic, financial and other factors affecting that industry sector than if the basket or index comprised shares of companies in various industry sectors that are affected by different economic, financial or other factors or are affected by such factors in different ways. **Accordingly, the composition of a particular basket of shares or index may result in investors receiving a lower return on the Notes than**

would have been payable on a single share or a basket or index composed of different shares or having different weightings.

(iii) *Fluctuations in the Underlying*

The value or level of the Underlying may change during the term of the Notes. The frequency and amount of any changes in the value or level of the Underlying cannot be predicted and may be caused by various factors including political or economic developments. Therefore, the value of the Notes during the term of the Notes and the return may be subject to fluctuation as a result of the fluctuation (or expectations of fluctuation) in the value or level of the Underlying.

Accordingly, the value of a Note prior to maturity and the return on a Note may be lower and less predictable than would be received or expected when investing in a conventional debt instrument.

Investors who require a certain or a predefined return should consider carefully before investing in any Notes.

(iv) *Volatility of the Underlying*

If the size or frequency of market fluctuations in the value or level of the Underlying increases or decreases, the value of the Notes may be affected. Where the Underlying is an index, the volatility of such index will affect the value of the Notes. **Accordingly, the value of and return on the Notes may be less predictable than the return on a product which is unaffected by market fluctuations.**

(v) *Path dependency*

The return of the Notes may be dependent on the movements in (and the calculation of) the value or level of the Underlying over the term of the Notes.

The Notes may have a return that is linked in whole or in part to the average value or level of the Underlying over the entire term of the Notes or over another specified period. Alternatively, the return on the Notes may be dependent on whether the level or price of the Underlying has exceeded or fallen below a specified value or level (i.e. breached a specified barrier) on or prior to a specified date. Accordingly, if the Underlying is experiencing a prolonged period of poor performance, the return on the Notes may be affected by such poor performance and investors may be unable to benefit from any single instance of improved performance and may therefore receive **a lower return than investors in a product where the return is calculated only by reference to the value or level of an underlying on a specific date.**

The return on the Notes may be affected by how the performance of the Underlying is calculated, namely the times, dates and methods used for determining the value or level of the Underlying.

For example, in the case of Notes whose redemption price is linked to the value or level of the Underlying exceeding or falling below a specified value or level (i.e. a barrier breach), whether the occurrence of such breach is to be determined at a specific point in time (for example, where the Underlying is an index, at the scheduled closing time of such index) or whether the occurrence of such breach is to be determined on an ongoing basis (for example, at any time during a specified period or as an average) could lead to greatly divergent valuations of the performance of the Underlying and accordingly the return on the Notes.

If the final level or value of the Underlying is calculated over a period of time, rather than on a single date, investors will be exposed to the performance of the

Underlying on days other than the maturity date. **Accordingly, the return on the Notes may be lower if the Underlying is experiencing a temporary period of poor performance.**

If the value or level of the Underlying is calculated as of a specific date (rather than as an average of several dates), investors will have greater exposure to the volatility of the Underlying in respect of the calculation of such level or value. **Accordingly, the return on the Notes may be lower if the Underlying experiences a single atypical instance of poor performance or higher than expected if the Underlying experiences a single atypical instance of positive performance on such specific date than it would be if the performance of the Underlying was measured over several days.**

(vi) *Past performance*

Prospective investors should understand that the **historical performance of the Underlying or any component of the Underlying is not predictive of future results**. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning any company whose shares comprise the Underlying could affect the trading price of the Notes.

(vii) *Interest rates*

The value of the Notes may, in addition to being affected by the value or level of the Underlying, be indirectly affected by changes in interest rates. Depending on the Underlying and the formula for calculating the redemption price of the Notes, changes in interest rates may increase or decrease the value of the Notes (but not necessarily in the same or proportionate amount). Changes in interest rates may also affect the economy of a country in which the components of the Underlying are traded and thus indirectly affect the value of the Notes. **Accordingly, investors in the Notes may suffer a loss on their investment or forgo substantial returns as a result of interest rate fluctuations. Therefore, an investment in the Notes may entail greater risks than an investment in a product where the return is only affected by the value of an underlying.**

The market value of any Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities. **Accordingly, investors in any Notes issued at a discount or premium are exposed to interest rate volatility and may suffer a greater loss on their investment than investors in interest-bearing debt securities.**

(viii) *Time remaining to maturity*

The Notes may trade at a value above that which would be expected based on interest rates and the value or level of the Underlying. Any such difference may reflect a "time premium" resulting from expectations concerning the Underlying during the period prior to the stated maturity of the Notes. As the time remaining to the stated maturity of the Notes decreases, this time premium may decrease, which in turn may adversely affect the value of the Notes. **Accordingly, investors selling any Notes at a date close to maturity may suffer a loss on their investment depending on expectations concerning the Underlying prevailing at the time.**

(ix) *Non-linear relationship of Notes to Underlying*

A change in the value or level of the Underlying may not result in a comparable or proportionate change in the value of the Notes due to fluctuating supply and demand for the Notes or the use of leverage factors, caps, floors, thresholds and barriers (or any combination of these features) in provisions governing the calculation of the return on the Notes. If leverage factors, caps, floors, barrier amounts or thresholds are used in the formula for calculating the return on the Notes, **investors may forgo returns or suffer losses that are relatively large or relatively small compared to a movement in the value or level of the Underlying.**

Investors should not invest in any Notes before fully understanding how the value of the Notes is linked to the value of the Underlying.

(x) *Currency fluctuations*

Currency fluctuations may affect the value or level of the Underlying in complex ways. If the value or level of the Underlying is denominated in a currency that is different from the currency of the Notes, investors in the Notes may be subject to increased foreign exchange risk. If such currency fluctuations cause the value or level of the Underlying to decrease, the value of the Notes may fall. **Accordingly, an investor in the Notes may suffer a greater loss on his/her investment than an investor in a product which is linked to an underlying that is denominated in the same currency.**

Foreign exchange rates are unpredictable and may be affected by complex political and economic factors, including relative rates of inflation, interest rate levels, the balance of payments between countries, the extent of any governmental surplus or deficit and the monetary, fiscal and/or trade policies pursued by the governments of the relevant currencies. Previous foreign exchange rates are not necessarily indicative of future foreign exchange rates. **Accordingly, investors may be unable to predict and adequately hedge against the risk posted by currency fluctuations, causing an investment in the Notes to result in an overall loss to the investor.**

(b) ***Hedging risk***

As a result of the non-linear relationship of the Notes to the Underlying (as described above) the Notes may not be suitable for hedging against the market risk associated with investing in any securities or indices.

Prospective investors intending to acquire Notes to hedge against such risk should recognise the complexities of using Notes in this manner.

(c) ***Index disclaimer risk***

The Notes are not sponsored, endorsed, sold or promoted by any index to which they are linked or any sponsor of such index and such index sponsor has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of any index and/or the levels at which such index stands at any particular time on any particular date or otherwise. No index sponsor shall be liable (whether in negligence or otherwise) to any person for any error in any index and an index sponsor is under no obligation to advise any person of any error within an index. An index sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes.

Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by an index sponsor in connection with the calculation, adjustment or maintenance of an index.

Neither the Issuer nor the Calculation Agent has any affiliation with or control over any index or index sponsor or any control over the computation, composition or dissemination of any index. Although the Issuer and the Calculation Agent will obtain information concerning an index to which the Notes are linked from publicly available sources they believe to be reliable, they will not independently verify this information. **Accordingly, an investor in the Notes will have no recourse against the sponsor of any index comprising the Underlying, the Issuer or the Calculation in relation to any event or facts relating to the index resulting in a decrease in the value of such index and/or the value of the Notes and/or a loss in the investment.**

(d) ***Hedging activities of the Issuer and affiliates***

The Issuer and/or its affiliates may carry out hedging activities related to the Notes, including purchasing the Underlying, components of the Underlying and/or debt obligations of a Reference Entity, but will not be obliged to do so. Any of these activities could potentially affect the value or level of the Underlying and the debt obligations of the Reference Entity (as applicable) and, accordingly, the value of the relevant Preference Share and in turn the value of the Notes. In addition, the disruption of such hedging arrangements or material increase in cost of such hedging arrangements may lead to an early redemption of the portion of each Note linked to a particular Preference Share (the "**Relevant Portion**") in whole (but not in part). **Accordingly, investors may receive a lower return than they would have done had they invested in a product whose Issuer did not engage in similar hedging activities.**

(e) ***Conflicts of interest***

The Issuer and/or its affiliates may also purchase and sell the Underlying, components of the Underlying and/or debt obligations of the Reference Entities on a regular basis as part of their securities businesses. Any of these activities could potentially affect the value or level of the Underlying and the debt obligations of such Reference Entities (as applicable) and, accordingly, the value of the Notes.

The Issuer and/or its affiliates may from time to time advise the issuers of or obligors in respect of Preference Shares, an Underlying or any component of an Underlying and/or any Reference Entity regarding transactions to be entered into by them, or engage in transactions involving any Underlying and/or Reference Entity for their proprietary accounts and for other accounts under their management. Any such transactions may have a positive or negative effect on the value or level of such Underlying and/or the value of such Reference Entity's debt obligations generally and therefore on the value of the Notes.

In addition, the Issuer may be the Calculation Agent responsible for making determinations and calculations in connection with the Notes and may also be the Calculation Agent in respect of the Preference Shares (the "**Preference Share Calculation Agent**") and the Valuation Agent in connection with the Preference Shares. Accordingly, certain conflicts of interest may arise between the interests of the Issuer and the interests of holders of Notes.

Investors are subject to the risk that such conflicts of interest may cause the Issuer and/or its affiliates to make determinations and/or take or refrain from taking actions, with a consequential adverse effect on the value and/or amounts payable under the Notes.

4. **Risks related to specific types of Notes**

(A) If this section is being read by an investor in Notes which are linked to a share, basket of shares or basket of indices (rather than linked to a single index) any reference to "**index**" shall be construed by that investor as being a reference to "**share**", "**basket of indices**" or "**basket of shares**" (as applicable to the relevant investor).

(B) Consequently, references to:

- *"**level**" in respect of a single index shall be construed as a reference to "**price**" in respect of a single share; "**the weighted average of the level of each index in the basket**" in respect of a basket of indices; and "**the weighted average of the price of each share in the basket**" in respect of a basket of shares (as applicable to the relevant investor);*

- *"**Initial Index Level**" in respect of a single index shall be construed as references to "**Initial Share Price**" in respect of a single share; "**the weighted average of the Initial Index Level of each index in the basket**" in respect of a basket of indices; and "**the weighted average of the Initial Share Price of each share in the basket**" in respect of a basket of shares (as applicable to the relevant investor); and*

- *"**Final Index Level**" in respect of a single Index shall be construed as references to "**Final Share Price**" in respect of a single share; "**the weighted average of the Final Index Level of each index in the basket**" in respect of a basket of indices; and "**the weighted average of the Final Share Price of each share in the basket**" in respect of a basket of shares (as applicable to the relevant investor).*

(a) ***Limits on the positive return payable – All Notes***

The amount of positive return on all Notes, payable in the event that at maturity the level of the relevant index is greater than a certain specified level (the "**Return Threshold**"), will depend in part on the type of formula used to calculate the upside return (as described in sub-paragraph (ii) below) specified in the Final Terms. Accordingly, the return on the Notes may be:

(i) an amount equal, solely or in part (depending on the type of Note), to a digital return, being the initial investment multiplied by a specified digital return percentage of at least 100%; and/or

(ii) (other than in relation to N Barrier Equity Linked Notes (Accumulation) with Capital at Risk, Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk and Multi Equity Kick Out Notes with Capital at Risk) an amount equal, solely or in part (depending on the type of Note), to the initial investment plus an amount equal to the increase in the performance of the index above a specified level (known as an "**upside**") which may be multiplied by a leverage factor and/or subject to a cap.

In these circumstances, although investors will not experience a loss on their investment, they may forgo the returns they could have obtained had they invested in a product with a different formula applicable to any upside return. Furthermore, if the return is subject to a cap, a leverage factor less than 100%, or a digital return, the investors' exposure to the positive performance of the relevant index may be limited. Any upside return will be limited and may be lower than the upside investors could have been exposed to had they invested in a different type of product.

(b) ***Possibility of loss of investment – All Notes***

If at maturity the level of the index is equal to a certain specified level of the index (the "**Return Threshold**"), the return on the Notes will be equal to the initial investment.

Other than where the Final Terms specify that Barrier is applicable and the level of the index has not breached a certain specified level at a specified time or during a specified period (the "**Barrier**"), if at maturity the level of the index is less than the Return Threshold, investors will suffer a reduction of their initial investment in proportion (which proportion may be multiplied by a gearing percentage) with the decline of the index (known as the "**downside**").

In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion (or a proportion multiplied by a gearing percentage) with the decline of the index level during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant index and, as a result, may lose all of their initial investment

In addition, certain features which may, if specified as applicable in the Final Terms, apply to Notes issued are subject to certain specific risks, as follows:

(c) ***'Call' risk – Notes which provide the Issuer with an option to redeem the Notes early***

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. **Accordingly, the return an investor in the Notes may expect to receive on a transfer of a Note during any such period may be lower than the return expected by an investor in products which cannot be voluntarily redeemed prior to maturity.**

(d) ***Capped Return – Notes which include a cap on return***

The return on the Notes may be capped. In such circumstances, the exposure to the upside performance of the relevant Underlying will be limited. Accordingly, investors could forgo returns that could have been made had they invested in a product without a similar cap.

(e) ***Leverage / Gearing – Notes which include leverage in the return***

Depending on the formulae for calculating the return on the Notes specified in the Final Terms, the Notes may have a leveraged exposure to the Underlying, in that the exposure of each Note to the Underlying may be greater (or less) than the nominal amount of the Note. **Positive leveraged exposure results in the effect of small price movements being magnified and may lead to proportionally greater losses in the value of and return on the Notes as compared to an unleveraged exposure.**

If market conditions change, the value of the Notes will be more volatile than if there was no leverage.

In cases where the leverage factor employed is less than 100%, investors will have a reduced exposure to the performance of the Underlying and may receive lower returns than if their exposure to the Underlying was at 100% or more.

(f) ***Upside Notes with Capital at Risk***

(i) *Possibility of loss of investment*

If at maturity the level of the index is equal to a certain specified level of the index (the "**Return Threshold**"), the return on the Notes will be equal to the initial investment.

Other than where the Final Terms specify that Barrier is applicable and the level of the index has not breached a certain specified level at a specified time or during a specified period (the "**Barrier**"), if at maturity the level of the index is less than the Return Threshold, the return on the Notes will be either:

A. where the Final Terms specify that Downside Return 1 is applicable, an amount linked to the downside performance of the index, and may be subject to gearing. **In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion (or a proportion multiplied by a gearing percentage) with the decline of the index level during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant index and, as a result, may lose all of their initial investment**; or

B. where the Final Terms specify that Downside Return 2 is applicable, an amount linked to the downside performance of the index between certain specified levels (such levels being the upper strike and the lower strike respectively), and may be subject to gearing. **In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion (which proportion may be multiplied by a gearing percentage) with the decline of the index level between the upper strike and the lower strike during a specified period or on a specified date. Accordingly investors will be exposed to a proportion of the downside of the relevant index and, as a result, may lose all of their initial investment.**

(g) ***Upside Plus Notes with Capital at Risk***

(i) *Possibility of loss of investment*

If at maturity the level of the index is equal to a certain specified level of the index (the "**Return Threshold**"), the return on the Notes will be equal to the initial investment.

Other than where the Final Terms specify that Barrier is applicable and the level of the index has not breached a certain specified level at a specified time or during a specified period (the "**Barrier**"), if at maturity the level of the index is less than the Return Threshold, the return on the Notes will be either:

A. where the Final Terms specify that Downside Return 1 is applicable, an amount linked to the downside performance of the index, and may be subject to gearing. **In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion (or a proportion multiplied by a gearing percentage) with the decline of the index level during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant index and, as a result, may lose all of their initial investment**; or

B. where the Final Terms specify that Downside Return 2 is applicable, an amount linked to the downside performance of the index between certain specified levels (such levels being the upper strike and the lower strike respectively), and may be subject to gearing. **In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion (which proportion may be multiplied by a gearing percentage) with the decline of the index level between the upper strike and the lower strike during a specified period or on a specified date. Accordingly investors will be exposed to a proportion of the downside of the relevant index and, as a result, may lose all of their initial investment.**

(h) ***Kick Out Upside Plus Notes with Capital at Risk***

(i) *Possibility of loss of investment*

If at maturity the level of the index is equal to a certain specified level of the index (the "**Return Threshold**"), the return on the Notes will be equal to the initial investment.

Other than where the Final Terms specify that Barrier is applicable and the level of the index has not breached a certain specified level at a specified time or during a specified period (the "**Barrier**"), if at maturity the level of the index is less than the Return Threshold, the return on the Notes will be either:

A. where the Final Terms specify that Downside Return 1 is applicable, an amount linked to the downside performance of the index, and may be subject to gearing. **In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion (or a proportion multiplied by a gearing percentage) with the decline of the index level during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant index and, as a result, may lose all of their initial investment**; or

B. where the Final Terms specify that Downside Return 2 is applicable, an amount linked to the downside performance of the index between certain specified levels (such levels being the upper strike and the lower strike respectively), and may be subject to gearing. **In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion (which proportion may be multiplied by a gearing percentage) with the decline of the index level between the upper strike and the lower strike during a specified period or on a specified date. Accordingly investors will be exposed to a proportion of the downside of the relevant index and, as a result, may lose all of their initial investment.**

(ii) *Limits on positive return*

If the level of the relevant index is greater than a specified level on certain specified dates, the Notes will be automatically redeemed prior to maturity and the return on the Notes will be (or will include) an amount equal to the initial investment multiplied by a specified percentage (always greater than 100%). **In these circumstances, although investors will not experience a loss on their investment, they may not benefit from the full upside that could be obtained at the time of maturity if they had invested the initial investment in a similar product without an automatic early redemption feature.**

(i) ***Kick Out Notes with Capital at Risk***

(i) *Possibility of loss of investment*

If at maturity the level of the index is equal to the Return Threshold, the return on the Notes will be equal to the initial investment.

Other than where Barrier is applicable and the level of the index has not breached the Barrier, if at maturity the level of the index is less than the Return Threshold, the return on the Notes will be an amount linked to the downside performance of the index. **In these circumstances, the return will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion with the decline of the index level during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant index and, as a result, may lose all of their initial investment.**

(ii) *Limits on positive return*

If the level of the relevant index is greater than a specified level on certain specified dates, the Notes will be automatically redeemed prior to maturity and the return on the Notes will be an amount equal to the initial investment multiplied by a specified percentage (always greater than 100%). **In these circumstances, although investors will not experience a loss on their**

investment, they may not benefit from the full upside that could be obtained at the time of maturity if they had invested the initial investment in a similar product without an automatic early redemption feature.

(j) ***Multi Equity Kick Out Notes with Capital at Risk***

(i) *Possibility of loss of investment*

If at maturity the level of the index is equal to the Return Threshold, the return on the Notes will be equal to the initial investment.

Other than where Barrier is applicable and the level of any index has not breached the Barrier, if at maturity the level of the worst performing of several indices is less than the Return Threshold for such index, the return on the Notes will be an amount linked to the downside performance of such worst performing index. As the level of the worst performing index will be below the initial level of the worst performing index, the return on the Notes will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion with the decline of the worst performing index during a specified period or on a specified date. **Accordingly, investors will be fully exposed to the downside of the worst performing index and, as a result, may lose all of their initial investment. Further, investors in the Notes may suffer a greater loss than they would have suffered had they invested the initial investment in a product where the return was based on the performance of the best performing of several indices or on the performance of only one index.**

(ii) *Limits on positive return*

If the level of the worst performing index is greater than a specified level on certain specified dates, the Notes will be automatically redeemed prior to maturity and the return on the Notes will be an amount equal to the initial investment multiplied by a specified percentage (always greater than 100%). **In these circumstances, although investors will not experience a loss on their investment, they may not benefit from the full upside that could be obtained at maturity if they had invested the initial investment in a similar product without an automatic early redemption feature. Further, investors in the Notes will not benefit from any earlier return that they may have received had they invested the initial investment in a similar product where the automatic early redemption is based on the performance of the best performing of several indices or on the performance of only one index.**

If the Notes have not been redeemed early, the return at maturity will be based on the performance of the worst performing index (being, on any day or in respect of any period specified in the Final Terms, the index that produces the lowest value when the final level of each index is divided by its initial level). **By investing in these Notes investors may forgo returns they could have benefitted from had they invested the initial investment in a similar product where the return was based on the performance of the best performing of certain indices or on the performance of only one index.**

(k) ***N Barrier Equity Linked Notes (Accumulation) with Capital at Risk***

(i) *Possibility of loss of investment*

If at maturity the level of the index is equal to the Return Threshold, the return on the Notes will be equal to the initial investment.

Other than where Barrier is applicable and the level of the index has not breached the Barrier, if at maturity the level of the index is less than the Return Threshold, the return on the Notes will be an amount linked to the downside performance of the index plus any bonus which has become due in respect of each specified period. **In these circumstances, the return (subject to any bonus return received) will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion with the decline of the index level during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant index and, as a result, may lose all of their initial investment (subject to any bonus return received).**

In addition, since the bonus return is linked to the number of periods where the level of the index was greater than a certain threshold, a decrease in the number of such periods will cause the return to investors to decrease. **Investors will therefore be exposed to the risk of a prolonged decline in the relevant index that causes the index level to fall below the specified threshold(s).**

(ii) *Limits on positive return*

A bonus will become due respect of a specified period only where the level of the index at the end of such period is greater than a specified threshold for such period. **In these circumstances, although investors will not experience a loss on their investment, the amount of any upside bonus return will depend upon the amount of the bonus and the bonus index threshold(s) required to be reached in order for the bonus to be payable, and thus investors may receive no upside return or a lower upside return than they could have received had they invested the initial investment in a similar product with a higher bonus and/or lower bonus threshold and/or shorter bonus calculation periods.**

(l) ***Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk***

(ii) *Possibility of loss of investment*

If at maturity the level of the index is equal to the Return Threshold, the return on the Notes will be equal to the initial investment.

Other than where Barrier is applicable and the level of the index has not breached the Barrier, if at maturity the level of the index is less than the Return Threshold, the return on the Notes will be an amount linked to the downside performance of the index plus any bonus which has accrued in respect of each specified period. **In these circumstances, the return (subject to any bonus return received) will be less than the initial investment and investors will suffer a reduction of their initial investment in proportion with the decline of the index level during a specified period or on a specified date. Accordingly investors will be fully exposed to the downside of the relevant index and, as a result, may lose all of their initial investment (subject to any bonus return received).**

In addition, since the bonus return is linked to the number of days the level of the relevant index is within the bonus range(s), an increase in the number of days on which the level of the relevant index is outside such range(s) will cause the return to investors to decrease. **Investors will therefore be exposed to the risk of a prolonged increase or decline in, or volatility of, the relevant index that causes the index level to fall outside of the specified range(s).**

(iii) *Limits on positive return*

A bonus will become due in respect of a specified period only where the index level is within a range specified for such period for one or more days during such period. The bonus will be calculated based on the number of days in each period that the index level is within the specified range. **In these circumstances, although investors will not experience a loss on their investment, the amount of any upside bonus return will depend upon the**

amount of the bonus and the range within which the index must fall in order for the bonus to be payable, and thus investors may receive no upside return or a lower upside return than they could have received had they invested in a similar product with a higher bonus and/or wider bonus calculation range.

5. **Risks related to Secured Notes**

(a) ***A Collateral Pool may not be sufficient to meet all payments in respect of the Secured Notes***

Certain Notes ("**Secured Notes**") have the benefit of security granted by the Issuer over a pool of collateral (a "**Collateral Pool**"). The collateral in the Collateral Pool is valued periodically and the Issuer may be required to transfer further collateral or may withdraw collateral depending on the amount of the Issuer's obligations secured by the Collateral Pool and the value of the collateral.

If a Series of Notes is specified in the applicable Final Terms as being Secured Notes, the applicable Final Terms will also specify the proportion of such Note which is secured (the "**Secured Portion**"). Notes may be fully or partially secured. If the Notes are partially rather than fully secured, the unsecured portion of the Notes will be exposed to the risk of insolvency of the Issuer. **If the Issuer were to become insolvent, an investor's return on the unsecured portion of the Notes may be substantially reduced and may be reduced to zero.**

Such security may be enforced if the Issuer defaults on certain obligations under the Notes and, in such circumstances, any net proceeds realised upon enforcement of the security will be applied in or towards satisfaction of the claims of, among others, the security trustee (the "**Trustee**") and any appointee and/or receiver appointed by the Trustee in respect of the relevant Secured Notes before the claims of the holders of the relevant Secured Notes in respect of the Secured Portion. Accordingly, whilst investors in Secured Notes have recourse to any proceeds realised upon enforcement of the security and may therefore recover some of their initial investment and may as a result suffer a lesser loss on their investment than investors in unsecured Notes or other unsecured products, there is **no guarantee that investors in Secured Notes will recover the full amount of their initial investment** if the net proceeds are insufficient to satisfy the claims of all parsons who benefit from such security.

The deed creating the security over a Collateral Pool (the "**Supplemental Trust Deed**") may provide for payment of a specified amount in certain circumstances based on the Issuer's credit rating (an "**Independent Amount**"), in which case the Issuer will be required to maintain in the Collateral Pool at all times an additional amount equal to the Independent Amount. The Independent Amount is intended to address, in part, any claims that may rank ahead of the claims of the relevant holders of the Secured Notes. However, any required periodic valuations of the Collateral Pool will not value or otherwise take into account any such prior ranking claims, and the Independent Amount, if any, will not be changed from time to time. To the extent that the amounts payable in respect of prior ranking claims exceed the Independent Amount (if any) applicable to that Collateral Pool, the net proceeds realised from that Collateral Pool may be insufficient to meet in full the claims of the holders of the relevant Secured Notes.

The Supplemental Trust Deed may also provide for a specified minimum amount (the "**Minimum Transfer Amount**"), in which case the Issuer will not be required to post additional collateral following a periodic valuation if the amount of additional collateral that needs to be posted is below the Minimum Transfer Amount. Accordingly, if the security in relation to such Collateral Pool were enforced, the net proceeds realised from the Collateral Pool may be less than it otherwise would have been had there been no Minimum Transfer Amount.

Furthermore, changes in the market value of the collateral posted in the Collateral Pool arising after the date on which Secured Notes become due and payable following an event of default under the Notes may mean that the net proceeds realised upon enforcement of the security over a Collateral Pool are insufficient to meet in full the claims of the holders of the relevant Secured Notes.

(b) ***A Collateral Pool may secure more than one Series of Secured Notes***

A Collateral Pool may secure the Issuer's obligations with respect to more than one series of Secured Notes and an event of default under the Notes with respect to any one series of Secured Notes secured by such Collateral Pool may trigger the early redemption of all other series that are secured by the same Collateral Pool in order for the security over the entire Collateral Pool to be enforced. Such cross-default may, among other things, result in losses being incurred by holders of the Secured Notes which would not otherwise have arisen.

(c) ***Substitution of posted collateral***

The Issuer may request that certain items of posted collateral be substituted for other items of permitted collateral ("**Eligible Collateral**") **provided that** certain conditions are met, including, among others, that the bid price of the new item of Eligible Collateral on the date of transfer is equal to or exceeds the bid price of the original item of posted collateral. Any such substitution request is subject to (a) verification by the entity appointed as the verification agent (the "**Verification Agent**") that the new item of collateral is Eligible Collateral; and (b) approval by the Trustee. However, neither the Verification Agent nor the Trustee is obliged to confirm that the bid price of the new item of Eligible Collateral is equal to or exceeds the bid price of the original item of posted collateral. **Following any such substitution, the market value of the new item of Eligible Collateral may fall below the value of the original item of posted collateral, and the net proceeds realised upon enforcement of the relevant Collateral Pool may therefore be less than if no such substitution had been made.**

(d) ***Fixed charges may take effect under English law as floating charges***

The Issuer will grant a security interest (expressed to be a fixed charge) over the Collateral Pool in favour of the Trustee to be held for the benefit of the holders of the Secured Notes. However, the law in England and Wales relating to the characterisation of fixed charges is not settled and the Issuer cannot exclude the possibility that the fixed charges expressed to be granted by it may take effect under English law as floating charges only. If, contrary to the Issuer's intention, such fixed charges were to take effect as floating charges, then certain claims may be satisfied out of the net proceeds realised upon enforcement of the security over such Collateral Pool ahead of the claims of the holders of the relevant Secured Notes. Accordingly, **the net proceeds may be insufficient to pay the holders of the relevant Secured Notes in full or in part**.

In addition, if the Issuer were to go into administration pursuant to the provisions of the UK Insolvency Act 1986 (as amended by the Enterprise Act 2002), then the Trustee may not be able to enforce the security for the duration of any moratorium or stay imposed in connection with the administration procedure. This may lead to delays in the enforcement of any security and may, among other things, result in losses being incurred by the holders of the relevant Secured Notes.

(e) ***Custody arrangements***

An independent entity has been appointed by the Issuer and the Trustee to act as the custodian of any collateral (which may include cash) supporting the Secured Notes (the "**Custodian**"), being Deutsche Bank AG, London Branch at the date of this Base Prospectus.

If the Issuer's financial position were to deteriorate so that it becomes insolvent or otherwise unable to perform any of its obligations under the Notes, such that the security over any cash posted as collateral and held in the custody of the Custodian becomes enforceable, claims of any holders of Secured Notes may be satisfied in whole or in part from the proceeds realised upon enforcement of the security over such cash.

An inherent risk in security over cash is that, notwithstanding the validity of the security, the secured party will be exposed to the creditworthiness of the entity with whom the relevant cash account is maintained. As a result, in the case of the Secured Notes, if the creditworthiness of the Custodian was to deteriorate, there is a risk that the Custodian would fail to pay the cash balance to the Trustee following the enforcement of the security. If the Custodian was to become insolvent such cash amounts will not be protected from competing unsecured claims against the Custodian.

In such circumstances, investors in Secured Notes may, to the extent it would be necessary to rely on cash collateral for the redemption amounts payable on the Notes, be in no better position than investors in unsecured Notes.

Furthermore, the Custodian may appoint sub-custodians to hold such posted collateral in its place in a manner that does not provide the Issuer or Trustee with any contractual rights against the sub-custodians. Accordingly, in the event that the Trustee attempts to enforce the security over any Collateral Pool, it will have no direct rights against any sub-custodian and will need to rely on the rights that it has with respect to the Custodian. Therefore, if the Custodian becomes unable to perform its obligations, the Trustee and Issuer may have no recourse to the posted collateral and accordingly investors in the Secured Notes may be left unprotected.

(f) ***Valuation Agent conflicts of interest***

Investec Bank plc, in its capacity as Valuation Agent, will be responsible for carrying out periodic valuations of the posted collateral in the Collateral Pool required under the terms of the Notes. Such valuations will determine, among other things, the amount of additional collateral (if any) that Investec Bank plc, in its capacity as the Issuer, will need to post to secure its obligations with respect to the relevant series of Secured Notes. As a result of the fact that a determination that additional collateral is required to be posted will have a detrimental impact on the financial position of the Issuer, this arrangement carries the risk that the valuation given may be lower due to the Valuation Agent and the Issuer being the same entity and therefore sharing financial interests. Accordingly, certain conflicts of interest may arise between Investec Bank plc in its capacity as Valuation Agent and the holders of the secured Notes.

If no or insufficient additional collateral is posted as a result of a deliberately inaccurate valuation, there may be insufficient proceeds realised from any enforcement of security over such Collateral Pool and accordingly **holders of the Secured Notes may suffer greater losses than envisaged.**

6A. Risks related to Credit Linked Notes *(in respect of Notes issued under the terms and conditions contained in this Base Prospectus)*

(a) ***Increased credit exposure***

Notes may be linked to the credit of one or more financial institutions or corporations listed on a regulated exchange or to a Sovereign (each a "**Reference Entity**") (the "**Credit Linked Notes**", the portion of each Note linked to each Reference Entity being the "**Relevant Portion**"). Such Notes are complex financial instruments. An investment in Credit Linked Notes will entail significant risks not associated with conventional fixed or floating rate debt securities which are not credit linked.

The redemption amount payable in respect of each Credit Linked Note is determined by reference to whether a Credit Event (as defined below) has occurred with respect to the Reference Entity or Reference Entities. In addition to being exposed to the risk of insolvency of the Issuer, investors in Credit Linked Notes will also be exposed to the risk the occurrence of a Credit Event in relation to the specified Reference Entity or Reference Entities.

(b) ***Reduced return following the occurrence of a Credit Event with respect to one or more Reference Entities***

If the applicable Final Terms specify that Credit Linkage is applicable in relation to a Series of Notes, and one (or more) of the specified Reference Entities becomes insolvent, defaults on its payment obligations or is the subject of governmental intervention (where relevant) or a restructuring of its debt obligations in a manner that is detrimental to creditors, then the Preference Share Calculation Agent may give notice (a "**Credit Event Notice**") of the occurrence of such credit event (a "**Credit Event**") and the Redemption Amount of the Relevant Portion of the Note will be determined by multiplying the fair and reasonable value of such Relevant Portion by the recovery rate assigned to the Reference Entity/Entities, in accordance with the provisions of Additional Terms for Credit Linked Preference Shares.

If one or more Reference Entities is subject to a Credit Event an investor in such Notes may receive considerably less than the amount paid by such investor for the Notes, irrespective of the performance of any Underlying and, if all of the relevant Reference Entities (or, in the case of a Note referencing a single Reference Entity, that Reference Entity) is subject to a Credit Event, investors in such Notes may lose all of their investment in the Relevant Portion(s) of the Note linked to such Reference Entity or Entities.

The redemption amount payable in respect of the Relevant Portion of the Note following the giving of a Credit Event Notice will be determined by the Preference Share Calculation Agent, acting in a commercially reasonable manner, by reference to the "**Adjusted Fair Market Value**" of the Relevant Portion of the Note (being the fair market value of the proportion of the relevant Notes less any costs, expenses, fees, or taxes incurred by the Issuer or any of its affiliates in respect of amending or liquidating any financial instruments or transactions entered into in connection with the Notes) and the "**Recovery Rate**" (being an amount determined by the Preference Share Calculation Agent in accordance with the Additional Terms for Credit Linked Preference Shares).

The Recovery Rate is either:

(A) if "General Recovery Rate" is specified in the applicable Final Terms, a rate or percentage determined in accordance with a market standard auction process for the debt obligations of the relevant Reference Entity (or, if no such auction is held, pursuant to a market price as determined by the Preference Share Calculation Agent); or

(B) if "Zero Recovery Rate" is specified in the applicable Final Terms, effectively zero.

If a "General Recovery Rate" is specified and such Recovery Rate in respect of a Reference Entity is less than 100 per cent., an investor may get back less than their initial investment in relation to the Relevant Portion.

If a "Zero Recovery Rate" is specified in respect of a Reference Entity, an investor will receive effectively zero in relation to the Relevant Portion.

Investors should note that the Recovery Rate in respect of a Reference Entity is not determined by reference to any one specific debt obligation of the Reference Entity. Instead, the Recovery Rate is determined by reference to an auction coordinated by ISDA in respect of certain obligations of the Reference Entity/Entities or, in certain circumstances, including if such an auction is not held, a market price as determined by the Preference Share Calculation Agent.

Accordingly, the redemption amount payable in respect of the Relevant Portion of the Note may be different from the return that investors would have received had they been holding a particular debt instrument issued by the specified Reference Entity.

<u>Postponement of Payment of Redemption Amount</u>

If, prior to the redemption amount of a Series of Credit Linked Notes, a Credit Event has occurred with respect to the relevant Reference Entity/Entities, payment of the redemption amount in respect of the Relevant Portion(s) linked to the relevant Reference Entity/Entities may be delayed by up to 60 calendar days plus eight business days.

(c) ***A Reference Entity may be replaced by a successor***

The Preference Share Calculation Agent may specify a successor to a Reference Entity (a "**Successor**") in circumstances where there has been a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event (a "**Succession Event**") in respect of such Reference Entity.

This would potentially include a situation where, in line with the recommendations of the Independent Commission on Banking, the retail banking activities of a Reference Entity are moved into a legally distinct, operationally separate and economically separate and independent entity (so-called "ring fencing") or as a result of the exercise by the relevant authorities of resolution powers under the Banking Act 2009 of the United Kingdom in circumstances where a Reference Entity is in financial difficulties.

When making such selection, the Preference Share Calculation Agent is obliged to act in a commercially reasonable manner, and in doing so is entitled to take into account any hedging position or arrangement that the Issuer or any of its affiliates may have entered into in connection with the Notes or the Preference Shares, but is not required to take into account the interests of the holders of any Notes or Preference Shares. In circumstances where, prior to a Succession Event, the relevant Reference Entity was carrying on business as an authorised deposit taker, the Preference Share Calculation Agent is required, to the extent possible, to specify as the Successor a successor entity which is not carrying on business as an authorised deposit-taker, or in the event that this is not possible, the successor entity for which such deposit-taking business is the least significant part of its business.

It is possible that the creditworthiness of a Successor will be less than that of the original Reference Entity. **In these circumstances there may be a greater risk of the occurrence of a Credit Event in respect of the Successor than may have existed in respect of the original Reference Entity and, accordingly, investors may be exposed to a greater risk of a reduced return on their investment or of suffering a loss in these circumstances.**

(d) ***Correlation risk***

The likelihood of a Credit Event occurring in respect of any Reference Entity will generally fluctuate with, among other things, the financial condition of such Reference Entity, general economic conditions, the condition of financial markets, political events, developments and trends in a particular industry and prevailing interest rates. With respect to Credit Linked Notes which are linked to more than one Reference Entity, such Reference Entities are likely to be entities operating in the same industry and/or geographical area (for example, banks or financial institutions operating in the UK). Accordingly, credit deterioration in one Reference Entity may be strongly correlated with the credit deterioration of the other Reference Entities. If one Reference Entity is negatively affected by certain market conditions, such market conditions are likely to also affect the other Reference Entities and/or the Issuer. **This may result in substantial decreases in the return payable on such Credit Linked Notes over a short period of time as more than one Reference Entity and possibly also the Issuer is affected by the same market conditions. Furthermore, the occurrence of a Credit Event in relation to one Reference Entity may exacerbate market conditions and contribute to the credit deterioration of the other relevant Reference Entities and/or the Issuer.**

(e) ***The Issuer need not suffer or prove financial loss with respect to the occurrence of a Credit Event in relation to a Reference Entity***

With respect to Credit Linked Notes which are also Secured Notes, the Issuer may but is not required under the terms of the deed relating to such Secured Notes ("**Trust Deed**") to purchase debt securities of the relevant Reference Entities to post as collateral. Under the terms of the Trust Deed, the Issuer may post cash, government debt obligations and/or debt obligations of the relevant Reference Entities and accordingly the Collateral Pool for such Secured Notes may not in fact include debt instruments of one or more of the relevant Reference Entities. **Following the delivery of a Credit Event Notice with respect to any Reference Entity, the return payable to an investor in the Notes will be reduced and may be reduced substantially but there is no need for the Issuer to suffer any loss or provide evidence of financial loss in such instances.**

6B. Risks related to Credit Linked Notes *in respect of Notes issued under the terms and conditions contained in the Base Prospectus dated 20 December 2013 and incorporated by reference into this Base Prospectus on page 50 (the "**December 2013 Conditions**"),*

(a) ***Increased credit exposure***

Notes may be linked to the solvency or credit of one or more financial institutions or corporations listed on a regulated exchange or to a Sovereign (each a "**Reference Entity**") (the "**Credit Linked Notes**"), the portion of each Note linked to each Reference Entity being the "**Relevant Portion**". Such Notes are complex financial instruments. An investment in Credit Linked Notes will entail significant risks not associated with conventional fixed or floating rate debt securities which are not credit linked.

The redemption amount payable in respect of each Credit Linked Note is determined by reference to the solvency or credit of the Reference Entity or Reference Entities. In addition to being exposed to the risk of insolvency of the Issuer, investors in Credit Linked Notes will also be exposed to the risk of insolvency or the occurrence of a credit event in relation to the specified Reference Entity or Reference Entities.

Credit Linkage may take one of two forms – simplified credit linkage ("**Simplified Credit Linkage**") (as further described in Paragraph 6(b) below) or ISDA credit linkage ("**ISDA Credit Linkage**") (as further described in Paragraph 6(b) below), as specified in the relevant Final Terms.

(b) ***Reduced return following insolvency or a credit event with respect to one or more Reference Entities***

Simplified Credit Linkage

Notes specified in the Final Terms as having Simplified Credit Linkage (each a "**Simplified Credit Linked Note**") are linked to the solvency of one or more Reference Entities. The return on the Relevant Portion of the Simplified Credit Linked Note is dependent on the solvency of the Reference Entity. If a Reference Entity goes bankrupt or becomes insolvent, then the Preference Share Calculation Agent may give notice (an "**Insolvency Event Notice**") of the occurrence of such bankruptcy or insolvency (an "**Insolvency Event**") and the redemption price which would otherwise be payable under the related Simplified Credit Linked Note will be reduced. The redemption price payable in respect of a Simplified Credit Linked Note following the giving of an Insolvency Event Notice will be determined by the Preference Share Calculation Agent acting in a commercially reasonable manner by reference to the rate or percentage that an investor of unsecured, unsubordinated structured debt obligations of the Reference Entity is likely to recover following the bankruptcy or insolvency of such Reference Entity (the "**Recovery Rate**"). **If one or more Reference Entities become insolvent, an investor in the Simplified Credit Linked Notes may receive considerably less than the amount paid by such investor for such Simplified Credit Linked Notes and if all of the relevant Reference Entities become Insolvent, an investor's return on such Simplified Credit Linked Notes may even be zero. As in the case of other Notes,**

Simplified Credit Linked Notes are not capital protected and investors may lose all or a substantial portion of their initial investment.

Investors should note that the Recovery Rate is not determined by reference to any one specific debt obligation of the Reference Entity, but by reference to the unsecured, unsubordinated structured debt obligations of the Reference Entity generally. **Accordingly the redemption amount payable in respect of the Relevant Portion of each Simplified Credit Linked Note linked to an insolvent Reference Entity may be different from the return that investors would have received had they been holding a particular debt instrument issued by the Reference Entity.**

ISDA Credit Linkage

Notes specified in the Final Terms as having ISDA Credit Linkage (each an "**ISDA Credit Linked Note**") are linked to the credit of one or more Reference Entities. The return on the Relevant Portion of the ISDA Credit Linked Note will be affected if a credit event (broadly speaking a bankruptcy event, a failure to pay amounts due on obligations or a restructuring of debt obligations in a manner that is detrimental to creditors) (a "**Credit Event**") occurs in relation to a Reference Entity. If a Credit Event occurs in relation to a Reference Entity, then the Preference Share Calculation Agent may give notice (a "**Credit Event Notice**") of the occurrence of such Credit Event and the redemption price which would otherwise be payable under the related ISDA Credit Linked Note will be reduced. The redemption price payable in respect of a ISDA Credit Linked Note following the giving of a Credit Event Notice will be calculated in accordance with a market standard auction process for the debt obligations of the relevant Reference Entity (or, if no such auction is held, pursuant to market standard fallback valuation provisions) as determined by the Preference Share Calculation Agent acting in a commercially reasonable manner (the "**Recovery Rate**"). **If one or more Reference Entities are subject to a Credit Event, an investor in the ISDA Credit Linked Notes may receive considerably less than the amount paid by such investor for such ISDA Credit Linked Notes and if all of the relevant Reference Entities are subject to a Credit Event, an investor's return on such ISDA Credit Linked Notes may even be zero. As in the case of other Notes, ISDA Credit Linked Notes are not capital protected and investors may lose all or a substantial portion of their initial investment.**

Investors should note that the Recovery Rate is not determined by reference to any one specific debt obligation of the Reference Entity, but by reference to the unsecured, unsubordinated debt obligations of the Reference Entity generally. **Accordingly the redemption amount payable in respect of the Relevant Portion of each ISDA Credit Linked Note linked to a Reference Entity in respect of which a Credit Event has occurred may be different from the return that investors would have received had they been holding a particular debt instrument issued by the Reference Entity.**

(c) ***Postponement in payment of Final Redemption Amount on Notes with Simplified Credit Linkage following Insolvency Event***

Each Simplified Credit Linked Note will be redeemed following the occurrence of an Insolvency Event with respect to the relevant Reference Entity. Payment of the Simplified Credit Linked Note redemption price may be delayed for some time and could be delayed until 30 days after the date that the Preference Share Calculation Agent determines that holders of unsecured, unsubordinated structured debt obligations of the Reference Entity actually received or are likely to receive final payment with respect to such debt. The Relevant Portion of the Simplified Credit Linked Note linked to such insolvent Reference Entity will be redeemed three business days after the date on which the related Preference Share with Simplified Credit Linkage (the "**Simplified Credit Linked Preference Share**") is redeemed. Accordingly, any delay in the payment of the Simplified Credit Linked Preference Share redemption price will cause a delay in payment of the Relevant Portion of the Simplified Credit Linked Note redemption amount. The Simplified Credit Linked Preference Share redemption date and the date when payment of the Relevant Portion of such Simplified Credit Linked Note is to be made by the Issuer may fall after such Note's scheduled maturity date. This period of delay may be considerable and may extend years beyond the scheduled maturity date of the relevant Notes.

(d) ***Maturity of Notes with ISDA Credit Linkage may be extended***

At any time prior to the maturity date of ISDA Credit Linked Notes, Noteholders may receive notice that the maturity date of the Relevant Portion of the ISDA Credit Linked Notes linked to a Reference Entity is to be extended in order to determine whether or not a credit event has occurred in respect of such Reference Entity prior to maturity. Such notice will be given in circumstances in which such an extension would be required under the 2003 ISDA Credit Derivatives Definitions as supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, each as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"), as may be further supplemented from time to time as of the Trade Date. **Accordingly, investors may not receive the redemption payment relating to the Relevant Portion of the ISDA Credit Linked Note linked to the Reference Entity until such time as it is determined whether or not a credit event occurred prior to the maturity date in relation to the debt obligations of the Reference Entity.**

(e) ***A Reference Entity may be replaced by a successor***

The Preference Share Calculation Agent may specify a successor to a Reference Entity (a "**Successor**") in circumstances where there has been a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event (a "**Succession Event**") in respect of such Reference Entity.

This would potentially include a situation where, in line with the recommendations of the Independent Commission on Banking, the retail banking activities of a Reference Entity are moved into a legally distinct, operationally separate and economically separate and independent entity (so-called “ring fencing”) or as a result of the excercise by the relevant authorities of resolution powers under the Banking Act 2009 of the United Kingdom in circumstances where a Reference Entity is in financial difficulties.

When making such selection, the Preference Share Calculation Agent is obliged to act in a commercially reasonable manner, and in doing so is entitled to take into account any hedging position or arrangement that the Issuer or any of its affiliates may have entered into in connection with the Notes or the Preference Shares, but is not required to take into account the interests of the holders of any Notes or Preference Shares. In circumstances where, prior to a Succession Event, the relevant Reference Entity was carrying on business as an authorised deposit taker, the Preference Share Calculation Agent is required, to the extent possible, to specify as the Successor a successor entity which is not carrying on business as an authorised deposit-taker, or in the event that this is not possible, the successor entity for which such deposit-taking business is the least significant part of its business.

It is possible that the creditworthiness of a Successor will be less than that of the original Reference Entity. **In these circumstances there may be a greater risk of insolvency or the occurrence of a credit event in respect of the Successor than may have existed in respect of the original Reference Entity and, accordingly, investors may be exposed to a greater risk of a reduced return on their investment or of suffering a loss in these circumstances.**

(f) ***Correlation risk***

The likelihood of an Insolvency Event and/or Credit Event occurring in respect of any Reference Entity will generally fluctuate with, among other things, the financial condition of such Reference Entity, general economic conditions, the condition of financial markets, political events, developments and trends in a particular industry and prevailing interest rates. With respect to Credit Linked Notes which are linked to more than one Reference Entity, such Reference Entities are likely to be entities operating in the same industry and/or geographical area (for example, banks or financial institutions operating in the UK). Accordingly, credit deterioration in one Reference Entity may be strongly correlated with the credit deterioration of the other Reference Entities. If one Reference Entity is negatively affected by certain market conditions, such market conditions are likely to also affect the other Reference Entities and/or the Issuer. **This may result in substantial decreases in the return payable on such Credit Linked Note over a short period of time as more than one Reference Entity and possibly also the Issuer is affected by the same market conditions. Furthermore, the insolvency or the occurrence of a credit event in relation to one Reference Entity may exacerbate market conditions and contribute to the credit deterioration of the other relevant Reference Entities and/or the Issuer.**

(g) ***Issuer need not suffer or prove financial loss with respect to the occurrence of a Credit Event or an Insolvency Event in relation to a Reference Entity***

With respect to Credit Linked Notes which are also Secured Notes, the Issuer may but is not required under the terms of the deed relating to such Secured Notes ("**Trust Deed**") to purchase debt securities of the relevant Reference Entities to post as collateral. Under the terms of the Trust Deed, the Issuer may post cash, government debt obligations and/or debt obligations of the relevant Reference Entities and accordingly the Collateral Pool for such Secured Notes may not in fact include debt instruments of one or more of the relevant Reference Entities. **Following the delivery of an Insolvency Event Notice or a Credit Event Notice with respect to any Reference Entity, the return payable to an investor in the Notes will be reduced and may be reduced substantially but there is no need for the Issuer to suffer any loss or provide evidence of financial loss in such instances.**

6C. Risks related to Credit Linked Notes *(in respect of Notes issued under the terms and conditions contained in the Base Prospectus dated 11 June 2013 and incorporated by reference into this Base Prospectus on page 50 (the "**June 2013 Conditions**"),*

(h) ***Increased credit exposure***

Notes may be linked to the credit of one or more financial institutions or corporations listed on a regulated exchange or to a Sovereign (each a "**Reference Entity**") (the "**Credit Linked Notes**"), the portion of each Note linked to each Reference Entity being the "**Relevant Portion**". Such Notes are complex financial instruments. An investment in Credit Linked Notes will entail significant risks not associated with conventional fixed or floating rate debt securities which are not credit linked.

The redemption amount payable in respect of each Credit Linked Note is determined by reference to the solvency of the Reference Entity or Reference Entities. In addition to being exposed to the risk of insolvency of the Issuer, investors in Credit Linked Notes will also be exposed to the risk of insolvency of the specified Reference Entity or Reference Entities.

(i) ***Reduced return following a Credit Event with respect to one or more Reference Entities***

Each Credit Linked Note is linked to the solvency of one or more Reference Entities. The return on the Relevant Portion of the Credit Linked Note is dependent on the solvency of the Reference Entity. If a Reference Entity goes bankrupt or becomes insolvent, then the Preference Share Calculation Agent may give notice (a "**Credit Event Notice**") of the occurrence of such bankruptcy or insolvency (a "**Credit Event**") and the redemption price which would otherwise be payable under the related Credit Linked Note will be reduced. The redemption price payable in respect of a Credit Linked Note following the giving of a Credit Event Notice will be determined by the Preference Share Calculation Agent acting in a commercially reasonable manner by reference to the rate or percentage that an investor of unsecured, unsubordinated structured debt obligations of the Reference Entity is likely to recover following the bankruptcy or insolvency of such Reference Entity (the "**Recovery Rate**") . **If one or more Reference Entities become insolvent, an investor in the Credit Linked Notes may receive considerably less than the amount paid by such investor for such Credit Linked Notes and if all of the relevant Reference Entities become Insolvent, an investor's return on such Credit Linked Notes may even be zero. As in the case of other Notes, Credit Linked Notes are not capital protected and investors may lose all or a substantial portion of their initial investment.**

Investors should note that the Recovery Rate is not determined by reference to any one specific debt obligation of the Reference Entity, but by reference to the unsecured, unsubordinated structured debt obligations of the Reference Entity generally. **Accordingly the redemption amount payable in respect of the Relevant Portion of each Credit Linked Note linked to an insolvent Reference Entity may be different from the return that investors would have received had they been holding a particular debt instrument issued by the Reference Entity.**

(j) ***Postponement in payment of Final Redemption Amount following Credit Event***

Each Note will be redeemed following the occurrence of a Credit Event with respect to the relevant Reference Entity. Payment of the Credit Linked Note redemption price may be delayed for some time and could be delayed until 30 days after the date that the Preference Share Calculation Agent determines that holders of unsecured, unsubordinated structured debt obligations of the Reference Entity actually received or are likely to receive final payment with respect to such debt. The Relevant Portion of the Note linked to such insolvent Reference Entity will be redeemed three business days after the date on which the related Credit Linked Preference Share is redeemed. Accordingly, any delay in the payment of the Credit Linked Preference Share redemption price will cause a delay in payment of the Relevant Portion of the Note redemption amount. The Credit Linked Preference Share redemption date and the date when payment of the Relevant Portion of such Credit Linked Note is to be made by the Issuer may fall after the Note's scheduled maturity date. This period of delay may be considerable and may extend years beyond the scheduled maturity date of the relevant Notes.

(k) ***Correlation risk***

The likelihood of a Credit Event occurring in respect of any Reference Entity will generally fluctuate with, among other things, the financial condition of such Reference Entity, general economic conditions, the condition of financial markets, political events, developments and trends in a particular industry and prevailing interest rates. With respect to Credit Linked Notes which are linked to more than one Reference Entity, such Reference Entities are likely to be entities operating in the same industry and/or geographical area (for example, banks or financial institutions operating in the UK). Accordingly, a credit deterioration in one Reference Entity may be strongly correlated with the credit deterioration of the other Reference Entities. If one Reference Entity is negatively affected by certain market conditions, such market conditions are likely to also affect the other Reference Entities and/or the Issuer. **This may result in substantial decreases in the return payable on such Credit Linked Note over a short period of time as more than one Reference Entity and possibly also the Issuer is affected by the same market conditions. Furthermore, the insolvency of one Reference Entity may exacerbate market conditions and contribute to the credit deterioration of the other relevant Reference Entities and/or the Issuer.**

(l) ***Issuer need not suffer or prove financial loss with respect to any Insolvent Reference Entity***

With respect to Credit Linked Notes which are also Secured Notes, the Issuer may but is not required under the terms of the deed relating to such Secured Notes ("**Trust Deed**") to purchase debt securities of the relevant Reference Entities to post as collateral.

Under the terms of the Trust Deed, the Issuer may post cash, government debt obligations and/or debt obligations of the relevant Reference Entities and accordingly the Collateral Pool for such Secured Notes may not in fact include debt instruments of one or more of the relevant Reference Entities. **Following the delivery of a Credit Event Notice with respect to any Reference Entity, the return payable to an investor in the Notes will be reduced and may be reduced substantially but there is no need for the Issuer to suffer any loss or provide evidence of financial loss in such instances.**

7. **Risks related to the Preference Shares**

(a) ***Issuer of Preference Shares***

The Preference Shares will be issued by Zebra Capital II Limited, a special purpose vehicle incorporated in the Cayman Islands, independent of the Issuer, whose business consists of the issuance of Preference Shares whose value and redemption price is linked to an Underlying and which will in turn be used to determine the return on the Notes.

The Notes are not secured on or otherwise backed by the Preference Shares and the Issuer is not dependent on receiving any amounts under the Preference Shares in order to meet its obligations under the Notes. However, while the Notes are not accordingly directly exposed to the credit risk of the issuer of the Preference Share, **investors in the Notes may be subject to certain operational risks of the issuer of the Preference Share to the extent they relate to the existence of, and calculation of the value in respect of, the Preference Share** (as set out below).

(b) ***Early redemption of Notes on early redemption of Preference Shares***

The Preference Shares may be redeemed prior to maturity in the circumstances described below. If the Preference Shares are redeemed prior to maturity, the Notes will also be redeemed, each such early redemption being at an amount potentially less than would have been payable at maturity.

Upon early redemption, the value of the Preference Shares (and thus the return on the Notes) will take into account any cost to the Issuer and/or any of its affiliates of amending or liquidating any financial instruments or transactions in respect of their hedging of their obligations in respect of the Notes. **Accordingly, investors are exposed to the risk of the redemption time and price of the Notes being adversely affected by the early redemption of the Preference Shares. Investors may experience losses that could have been avoided or may forgo returns that could have been received had they invested in a product which does not allow for early redemption or which may only be redeemed early in limited circumstances, or in a product whose redemption does not depend on the redemption of another product.**

Any return received by holders of the relevant Notes at early redemption may be less than what such holders would have received had the Notes not been redeemed early.

The Preference Shares may be redeemed prior to their scheduled redemption date in certain circumstances including (i) upon the occurrence of one or more events in connection with the Underlying, including a Nationalisation, a Merger, a Tender Offer, a De-listing or an Insolvency (in each case as defined in the section below entitled "*Description of the Preference Shares*"); (ii) an event that causes the hedging by the Issuer and/or its affiliates in respect of their obligations under the Notes to become illegal or which disrupts or materially increases the cost of such hedging, as set out in the Articles of the issuer of the Preference Shares.

The European Market Infrastructure Regulation ("**EMIR**") introduces new requirements to improve transparency and reduce the risks associated with the derivatives market.

These requirements come into force progressively through 2013 and 2014. When it enters fully into force, EMIR will require entities that enter into any form of derivative contract to (i) report every derivative contract entered into to a trade repository, (ii) implement new risk management standards (including operational processes and margining) for all bi-lateral over-the-counter derivative trades that are not cleared by a central counterparty, and (iii) clear, through a central counterparty, over-the–counter derivatives that are subject to a mandatory clearing obligation. If such regulation or any other applicable law has the effect of materially increasing the costs to the Issuer and/or any of the Issuer's affiliates in respect of any hedging arrangements in respect of the Notes or the Issuer and/or any of the Issuer's affiliates is unable, after using commercially reasonable efforts, to make such arrangements in the opinion of the Preference Share Calculation Agent, then an early redemption of the Preference Shares may occur, which in turn will result in an early redemption of the Notes.

Early redemption on Preference Share Disruption Event

In addition, the Notes will be redeemed early if:

(i) the issuer of the Preference Shares becomes insolvent or a liquidator or receiver is appointed in respect thereof; and/or

(ii) the rights attaching to the Preference Shares are varied such that they no longer reflect the economic intention of the Notes.

In such cases, the Notes will be redeemed at their Final Redemption Amount, which amount will be linked to the value of the Preference Shares as determined by the Calculation Agent. In the case of such early redemption of the Notes, the value of the Preference Shares (and thus the Final Redemption Amount of the Notes) will take into account any cost to the Issuer and/or any of its affiliates of amending or liquidating any financial instruments or transactions in respect of their hedging of their obligations in respect of the Notes. Such early redemption amount may be less than what the Noteholders would have received if the Notes were not redeemed early.

(c) ***Postponement of payment of Final Redemption Amount***

In certain specified cases (for example, if the exchange on which the Underlying is traded fails to open) the date on which the Underlying is scheduled to be valued may be delayed and postponed to a later date. **In such cases, there is a risk that the date scheduled for final redemption of the Preference Share may be delayed and, since the Notes will be redeemed on the same date as the relevant Preference Share, payment of the return on the Notes would also be postponed accordingly.** No additional payments will be due to investors in the Notes on account of such delay, unless otherwise specified in the applicable Final Terms. In addition, with respect to Credit Linked Notes, there is a risk that the redemption of the Notes, and hence payment of the final redemption amount on **the Notes may be delayed following the giving of a notice specifying that a Credit Event has occurred in relation to the Reference Entity.**

(d) ***Discretion of Calculation Agent and the Preference Share Calculation Agent***

Investec Bank plc (or such other party specified in the applicable Final Terms) will act as the calculation agent with respect to both the Notes and the Preference Shares. The calculation agent will have the sole discretion to determine whether certain specified events have occurred in respect of the Underlying, Notes, the Preference Shares (or their issuer) or the Reference Entity and to determine whether (and, if so, what) adjustments and calculations may need to be made in respect of the Preference Shares and the Notes as a result, including valuing the Preference Shares and deducting any hedging costs incurred by the Issuer in respect of an adjustment to or liquidation of any hedging arrangements in respect of the Notes upon an early redemption of the Notes.

Accordingly, if the Preference Share Calculation Agent fails to perform (if required) any of the activities described above or commits any errors or omissions when carrying out any such activities (for example, by making insufficient adjustments to the payout provisions on the Preference Shares or deducting an incorrect amount in respect of any amounts required by hedging arrangements), the **return on the Notes may be adversely affected and may be less than it might otherwise have been.**

Prospective purchasers should be aware that any determination made by the Calculation Agent or the Preference Share Calculation Agent may have an impact on the value of the Notes. Any such discretion exercised by, or any calculation made by, the calculation agent shall, in the absence of manifest error, be binding on the Issuer, the Trustee and the holders of the relevant Notes.

8. Risks related to legal framework of the Notes

(a) *Modification, waivers and substitution*

The conditions of the Notes contain provisions for calling meetings to consider matters generally affecting the interests of holders of the relevant Notes (the "**Noteholders**"). Defined majorities are capable of binding all Noteholders with respect to matters considered at such meetings, including Noteholders who did not attend or vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any actual or potential event of default shall not be treated as such or (iii) the substitution of a company other than the Issuer as principal debtor under any Notes. **Accordingly, Noteholders are exposed to the risk that their rights in respect of the Notes are varied against their will, which may result in an investment in any Notes becoming less advantageous to a particular Noteholder depending on individual circumstances.**

(b) *Taxation in relation to the Notes*

In certain circumstances payments made on or with respect to the Notes after 31 December 2016 may be subject to U.S. withholding tax under Sections 1471 through 1474 of the U.S. Internal Revenue Code (commonly referred to as "**FATCA**"). This withholding does not apply to payments on Notes that are issued prior to the date that is six months after the date on which the final regulations that define "foreign passthru payments" are published unless the Notes are "materially modified" after that date or are characterised as equity for U.S. federal income tax purposes. **Accordingly, investors in the Notes may suffer a loss on their investment if amounts are required to be deducted from any returns received to satisfy withholding tax obligations or may compromise their individual tax position by complying with any reporting obligations.**

Whilst the Notes are in global form and held within Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme (together, the "**ICSDs**"), in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the ICSDs. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. **Investors should choose the custodians or intermediaries with care** (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the common depository or common safekeeper for the ICSDs (as bearer or registered holder (as applicable) of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the ICSDs and custodians or intermediaries.

(c) ***U.S. Withholding on dividend equivalent payments***

The U.S. Treasury Department has released proposed regulations under Section 871(m) of the U.S. Internal Revenue Code, which require withholding of up to 30% (depending on whether an income tax treaty or other exemption applies) on payments or deemed payments made to non−U.S. persons on certain financial instruments to the extent that such payments are contingent upon or determined by reference to U.S.−source dividends. Significant aspects of the application of these regulations to the Notes are uncertain. Payments on Notes made after 31 December 2015 that are treated by the applicable Treasury regulations as being contingent upon, or adjusted to reflect, any U.S. source dividends may be subject to this withholding. The Issuer will not be required to pay any additional amounts or otherwise indemnify any person with respect to amounts so withheld.

(d) ***No Gross Up***

Unless the Final Terms specify that Condition 7A (*Taxation - No Gross Up*) is not applicable and that Condition 7B (*Taxation - Gross Up*) is applicable, the Issuer will not be obliged to gross up, or pay any additional amounts in respect of, any payments in respect of the Notes and Receipts in respect of which any withholding or deduction has been required to be made in respect of any tax. **Accordingly, investors may receive a lower return than would be received on an investment where no withholding tax is payable or where the relevant issuer has an automatic obligation to gross up any payments.**

(e) ***Notes where denominations involve integral multiples: definitive Notes***

In relation to any issue of Notes which have denominations consisting of a minimum specified denomination (the "**Specified Denomination**") plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination. Holdings which are not in integral multiples of the Specified Denomination will be rounded downwards in all instances.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

(f) ***Notes may be subject to bail-in under European and UK bank resolution legislation***

There is a risk that Notes issued by the Issuer maybe subject to the "bail-in" power under Directive 2014/59/EU (the "**Recovery and Resolution Directive**" or "**RRD**"), when it is implemented. Such bail-in power will give the relevant UK resolution authority the power to cancel all of the principal amount of, or interest on, certain liabilities of a failing financial institution and/or to convert certain debit claims into another security, including ordinary shares of the surviving entity, if any.

In addition, the UK Financial Services (Banking Reform) Act 2013 (the "**Banking Reform Act**") includes amendments to the UK Banking Act 2009 (the "**Banking Act**") to add a bail-in option to the powers of the UK resolution authority, although as of the date of this Base Prospectus parts of the Banking Reform Act, including those relating to the bail-in option, have not yet come into force. The bail-in option includes the power to cancel a liability or modify the terms of contracts for the purposes of reducing or modifying the liabilities of the bank under resolution and the power to convert a liability from one form to another.

The Banking Act and the RRD also contain a number of other powers which have been (or are to be) granted to the relevant UK resolution authorities in relation to financial institutions and their holding companies which could have a material impact on the Issuer and/or any Notes issued by it.

Any of the above powers under the Banking Act or the RRD (including especially the respective bail-in powers) could materially affect the market value of any Notes and could lead to Noteholders losing some or all of their investment.

For a more detailed discussion of the risks that arise as a result of the Banking Act or the RRD, please refer to the risk factors in the Registration Document entitled "European Resolution Regime" and "The Banking Act 2009", which are incorporated into this Base Prospectus by reference.

(g) ***Change of law***

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

Accordingly, Noteholders are exposed to the risk that their rights in respect of the Notes may be varied, which may result in an investment in any Notes becoming less advantageous.

9. **Risks related to the market generally**

(a) ***The secondary market generally***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. This is particularly the case for the Notes as these are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Accordingly, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions, commissions paid by the Issuer or the Dealer and the financial condition of the Issuer. Although application has been made for Notes issued under the Programme to be admitted to the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted, that an active trading market will develop or that any listing or admission to trading will be maintained. **Accordingly, investors may not be able to sell their Notes prior to maturity.**

(b) ***Credit ratings of Issuer***

The value of the Notes may be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Such perceptions are generally influenced by the ratings accorded to the Issuer's outstanding securities by standard statistical rating services, such as Moody's investors Service Inc., Standard & Poor's (a division of the McGraw-Hill Companies, Inc) and Fitch Ratings. **A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer, by one of these rating agencies could result in a reduction in the trading value of the Notes.**

(c) ***Similar public offerings***

If a large number of public offerings of similar notes or securities similar to the Underlying (or a component thereof) are made in the United Kingdom or elsewhere, the Notes may attract fewer investors. In addition, factors affecting the economy of the country or countries in which the companies whose shares comprise the Underlying (or components thereof) conduct their operations may affect the value of the Underlying and may make the Underlying, and accordingly the Notes, less attractive to investors. **Accordingly, the trading price of the Notes may be adversely affected.**

(d) ***Exchange rate risks and exchange controls***

The Issuer will pay principal on the Notes in a specified currency (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the investor's Currency) and the risk that authorities with jurisdiction over the investor's Currency may impose or modify exchange controls. **An appreciation in the value of the investor's Currency relative to the Specified Currency would decrease (1) the investor's Currency-equivalent yield on the Notes, (2) the investor's Currency-equivalent value of the principal payable on the Notes and (3) the investor's Currency-equivalent market value of the Notes.**

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. **As a result, investors may receive less principal than expected, or no principal.**

(e) ***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, the additional factors discussed above or other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. **Accordingly, an investor may suffer losses if the credit rating assigned to any Notes does not reflect the true creditworthiness of such Notes.**

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be incorporated in, and form part of, this Base Prospectus, save that any documents incorporated by reference in any of the documents set forth below do not form part of this Base Prospectus:

1. The registration document (the "**Registration Document**") of the Issuer dated 22 July 2014.

2. The annual report (including the auditors' report and audited consolidated annual financial statements) for the financial year ended 31 March 2013 of the Issuer, which has been published and filed with the Financial Services Authority ("**FSA**").

3. The annual report (including the auditors' report and audited consolidated annual financial statements) for the financial year ended 31 March 2014 of the Issuer, which has been published and filed with the FCA.

4. The Terms and Conditions of the Notes contained at pages 86 to 107 in the base prospectus relating to the Programme dated 20 December 2013 (the "**December 2013 Conditions**").

5. The Terms and Conditions of the Preference Shares contained at pages 142 to 213 in the base prospectus relating to the Programme dated 20 December 2013 (the "**December 2013 Preference Share Conditions**").

6. The Terms and Conditions of the Notes contained at pages 77 to 97 in the base prospectus relating to the Programme dated 11 June 2013 (the "**June 2013 Conditions**").

7. The Terms and Conditions of the Preference Shares contained at pages 128 to 185 in the base prospectus relating to the Programme dated 11 June 2013 (the "**June 2013 Preference Share Conditions**").

Following the publication of this Base Prospectus, a supplement may be prepared by the Issuer and approved by the FCA in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The documents incorporated by reference in this Base Prospectus shall not include any documents which are themselves incorporated by reference in such incorporated documents ("daisy chained" documents). Such daisy chained documents shall not form part of this Base Prospectus. Where only part of the documents listed above have been incorporated by reference, only information expressly incorporated by reference herein shall form part of this document and the non-incorporated parts are either not relevant for the investor or covered elsewhere in this Base Prospectus.

Copies of the documents incorporated by reference in this Base Prospectus can be obtained from (i) the registered office of the Issuer and from the specified offices of the Principal Paying Agent and (ii) the website of the Regulatory News Service operated by the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare and publish a supplement to this Base Prospectus or prepare and publish a new base prospectus for use in connection with any subsequent issue of Notes.

DESCRIPTION OF THE NOTES

This section provides details of how an investment in the Notes works and how payments under the Notes are calculated.

Introduction

References to the "**Issuer**" are references to Investec Bank plc, and references to the "**Notes**" are references to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**").

The Notes are investments which are linked to certain preference shares ("**Preference Shares**") which are themselves linked to the performance of one of the following:

- an equities index (an "**Index**"), such as, for example, the FTSE® 100 Index, the S&P 500® Index, the EuroSTOXX® Index, the MSCI® Emerging Markets Index, the HSCEI Index, the DAX Index, the S&P ASX 200 (AS51) Index, the CAC 40 Index, the Nikkei 225 Index, the JSE Top40 Index, the Finvex Sustainable Efficient Europe 30 Price Index, the Finvex Sustainable Efficient World 30 Price Index, the BNP Paribas SLI Enhanced Absolute Return Index, the NASDAQ Index, the Dow Jones Industrial Average Index, the IBEX 35 Index, the FTSE MIB Index, the AEX Index, the OMX STKH30 Index, the SMI Index, the NIFTY Index, the KOSPI 200 Index, the EVEN 30™ Index, EURO 70™ Low Volatility Index or any other equities index specified in the relevant Final Terms;
- a share in a company which is listed on a stock exchange (a "**Share**");
- a basket of Indices; or
- a basket of Shares.

The underlying Index, Share, basket of Indices or Basket of Shares is referred to as the "**Underlying**".

A document known as a "**Final Terms**" will be prepared for each issue of Notes. The Final Terms will give further details of the Preference Shares to which the Notes are linked, including details of the Underlying, and details of how payments in respect of the Notes will be calculated.

Amounts payable on redemption of the Notes

Unless it has been redeemed (i.e. repaid) early, a Note will be redeemed at the end of its term on the "**Maturity Date**".

Kick Out Upside Notes with Capital at Risk, Kick Out Notes with Capital at Risk and Multi Equity Kick Out Notes with Capital at Risk may be "kicked out" (i.e. repaid early) on certain specified dates before the Maturity Date depending on the performance of the Underlying.

No interest is payable on any of the Notes.

The redemption amount of each Note will in all cases reflect the percentage change in the value of the Preference Share(s) to which it is linked from the issue date of the relevant Note until its redemption.

The Preference Shares will be issued by Zebra Capital II Limited, an independent company whose business consists of the issuance of Preference Shares linked to indices and shares. Each issue of Notes will be linked to a different Preference Share which will have a maturity matching the relevant Notes and be linked to a particular Underlying.

The change in the value of a Preference Share (and accordingly the redemption amount of the related Note) will depend on the performance of the relevant Underlying and on which one of a number of redemption provisions ("**Preference Share Redemption Provisions**") apply to such Preference Share. These determine the amount payable upon redemption of the Preference Share and will be provisions for one of the following:

- Upside Notes with Capital at Risk;
- Upside Plus Notes with Capital at Risk;
- Kick Out Upside Plus Notes with Capital at Risk;
- Kick Out Notes with Capital at Risk;
- Multi Equity Kick Out Notes with Capital at Risk;
- N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk;
- Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk.

Details of the amounts which will be payable depending on which Preference Share Redemption Provision applies are set out below, together with some worked examples illustrating how calculations are made in practice.

The Notes are designed so that the return on the Notes matches in percentage terms change in value of the Preference Share to which it is linked according to the relevant Preference Share Redemption Provisions. However, the Notes are not secured on or backed by the Preference Shares and the Issuer is not dependent on receiving any amounts on the Preference Shares in order to make payments on the Notes.

Only a nominal amount of Preference Shares may be issued in respect of each issue of Notes (so that, for example, each GBP 1,000 Note forming part of an issue of GBP 7,500,000 of Notes might be linked to the same single Preference Share having a GBP 1,000 nominal amount).

Measuring the level or price of the Underlying

The calculations which are required to be made to calculate the amounts payable in relation to each Preference Share (and hence each type of Notes) will be based on the level or price of the relevant Underlying at certain specified times.

Such level or price will be determined by reference either to a single date (known as the "**Valuation Date**") or several dates (known as "**Averaging Dates**"), or by reference to the highest level or price during a particular period, (this is referred to as the "**Best Strike**") as specified in the relevant Final Terms, as follows:

- if Averaging Dates are specified, the level or price will be the arithmetic mean of the levels or prices on the relevant Averaging Dates;
- if "Best Strike" is specified as applicable in the relevant Final Terms, the initial level or price will be the lowest level or price during a period from a specified "**Strike Start Date**" until a specified "**Strike End Date**"; and
- otherwise, the level or price will be determined as of the single date or dates specified as being the Valuation Date(s) in the relevant Final Terms.

In the case of Notes with a credit linkage feature, it is also possible for a Note to be linked to more than one Preference Share, with a specified portion (the "**Relevant Portion**") of the Note being linked to each Preference Share. The linkage to the percentage change in the value of the Preference Shares in such cases works in the same way as described above, except that each such portion of the Note is treated separately for purposes of calculating its redemption amount.

Credit linkage

In addition to the return on the Notes having the payout features discussed above, the Notes, or a portion of the Notes, may be linked to one or more Preference Shares linked to the credit of one or more entities referred to as a "**Reference Entity**", being a specified financial institution or corporation listed on a regulated exchange or any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) thereof (a "**Sovereign**") (such Notes being "**Credit Linked Notes**", such portion being the "**Credit Linked Portion**" and such Preference Shares being "**Credit Linked Preference Shares**"). In circumstances where more than one Reference Entity is named in connection with the Notes, a specified portion (the "**Relevant Portion**") of the Note is linked to each Credit Linked Preference Share which is linked to the credit of each Reference Entity.

In this way a Credit Linked Note or the Credit Linked Portion of a Note (as applicable) is linked to the performance of the Underlying in the same way as other Notes that may be issued but, in addition, the risk to the return of the investors initial investment in the Credit Linked Note (or the Credit Linked Portion, as applicable) is also dependent on the credit of the applicable Reference Entity(ies).

If there is only one Reference Entity, the Relevant Portion will be 100 per cent. of the Credit Linked Note or the Credit Linked Portion of the Note (as applicable) and accordingly, in addition to the Underlying, the risk to the return of the investor's entire investment in the Credit Linked Notes (or the Credit Linked Portion of such Note, as applicable) will be dependent on the credit of the single named Reference Entity.

If there is more than one Reference Entity, the Credit Linked Note (or the Credit Linked Portion, as applicable) will be split between the named of Reference Entities in the proportions specified in the applicable Final Terms. For example, if there are five Reference Entities, the Note is 100 per cent. Credit Linked and is equally weighted between the Reference Entities, the Relevant Portion for each Reference Entity will be stated as 20 per cent. and accordingly, if a Reference Entity suffers a Credit Event (as defined below), a 20 per cent. portion of the investor's initial investment will be at risk. Alternately, if there are three Reference Entities, the Note is 75 per cent. Credit Linked and the Credit Linked Portion is equally weighted between the Reference Entities, the Relevant Portion for each Reference Entity will be stated as 25 per cent., and accordingly, if a Reference Entity suffers a Credit Event (as defined below), a 25 per cent. portion of the investor's initial investment will be at risk.

If a Reference Entity goes bankrupt or insolvent, defaults on its payment obligations or is the subject of governmental intervention (expected to apply primarily to financial institutions) or a restructuring of its debt obligations (a "**Credit Event**"), then the portion of the Note linked to such Reference Entity (the "**Relevant Portion**") may be reduced by multiplying the fair and reasonable value of the Relevant Portion of the Note (taking into account movements in the share price, volatility, interest rates, time to maturity and hedging costs but disregarding the effect of a Credit Event in relation to the Reference Entity on the initial investment) (the "**Value**") relating to that portion by the "**Recovery Rate**". If the Recovery Rate is less than 100 per cent., then it will reduce the value of the Preference Share and, accordingly, the amount payable on redemption of the Notes, and an investor is likely to get back less than their initial investment in respect of that Relevant Portion.

The Recovery Rate is either:

(i) if "**General Recovery Rate**", is specified in the applicable Final Terms, a rate or percentage determined by reference to an auction process coordinated by ISDA in respect of certain obligations of the relevant Reference Entity/Entities (as further described below) or, in certain circumstances, including if such an auction is not held, a market price as determined by the Preference Share Calculation Agent.

(ii) if "**Zero Recovery Rate**" is specified in the applicable Final Terms, effectively zero.

If a "General Recovery Rate" is specified and such Recovery Rate in respect of a Reference Entity is less than 100 per cent., an investor may get back less than their initial investment in relation to the Relevant Portion.

If a "Zero Recovery Rate" is specified in respect of a Reference Entity, an investor will receive effectively zero in relation to the Relevant Portion.

In some circumstances it may not be possible to determine the Recovery Rate (and hence the amount payable in respect of the Relevant Portion relating to the relevant Reference Entity/Entities) by the Maturity Date of the Notes. In such circumstances, the Maturity Date may be postponed by up to 60 calendar days plus eight business days.

Further details of how such credit linkage works, together with a worked example illustrating how the relevant calculations are made in practice, are set out below.

Auction Process

Where "General Recovery Rate" is specified in respect of a Reference Entity, the Recovery Rate is determined by reference to an auction coordinated by ISDA in respect of certain obligations of the relevant Reference Entity, or, in certain circumstances, including if such an auction is not held, a market price as determined by the Preference Share Calculation Agent. If the Recovery Rate is less than 100 per cent., an investor may get back less than their initial investment in respect of the Relevant Portion (or the whole Note, as relevant).

In the case of a "Restructuring" Credit Event, the ISDA Credit Derivatives Determinations Committee may decide that more than one auction will be held, with each auction being based on obligations of the Reference Entity having specific maturity limitations. If this concept is applicable, broadly speaking, each auction will be based on a "bucket" of obligations of the Reference Entity having a limited maturity date, for example, falling between 2.5 years to 5 years, 5 years to 7.5 years, etc. following the date of the relevant restructuring. The relevant auction final price for a particular market standard credit derivative will be the price generated by the auction for the relevant bucket having a maturity limitation range that relates to the termination date of the relevant credit derivative. This multiple auction approach will only apply if a market credit derivative referencing the particular Reference Entity would specify that this approach applies.

Further details of how such credit-linkage works, together with a worked example illustrating how the relevant calculations are made in practice, are set out below.

Explanations of the Amounts payable under different types of Notes

Set out below are explanations of how the payments of the various types of Notes work, together with worked examples.

As described above the redemption amount of each Note will in all cases reflect the percentage change in the value of the Preference Share(s) to which it relates. However, for ease of explanation, the following overviews and worked examples do not set out the Preference Share Redemption Provisions and instead set out only the amounts payable in respect of the Notes. In addition, in this section, for ease of explanation rather than refer to the Notes being linked to the value of the Preference Share which is in turn linked to the Underlying, the Notes (including the return on the Notes) are described as being linked to the Underlying. The overviews and worked examples (other than relating to worked example for Upside Notes with Capital at Risk (with Credit Linkage)) assume that each Note is linked to a single Preference Share which is redeemed in full and that there are no "disrupted days" (e.g. days on which the relevant stock exchange is not open for business).

The following explanations and worked examples use the definitions set out in the Pro Forma Final Terms appearing on pages 106 to 130 in order to provide an illustration of how these defined terms are used within practical examples.

The following table sets out for each type of Note details of where the following can be found in this Base Prospectus:

(i) an explanation of the payments under such Note and a related worked example; and

(ii) the technical formula that will be used for calculating the redemption amount of the Preference Share(s) relating to such Note.

Type of Note	**Explanation of payments and worked example**	**Technical Formula for redemption amount of related Preference Shares**
Upside Notes with Capital at Risk	Pages 56 to 58 (without credit linkage)	Page 195
Upside Notes with Capital at Risk (with General Recovery Rate)	Pages 58 to 62– (with Credit Linkage)	Page 195
Upside Plus Notes with Capital at Risk	Pages 62 to 64	Page 196
Kick Out Upside Plus Notes with Capital at Risk	Pages 64 to 68	Page 198
Kick Out Notes with Capital at Risk	Pages 68 to 71	Page 201
Multi Equity Kick Out Notes with Capital at Risk	Pages 71 to 73	Page 202
N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk	Pages 73 to 76	Page 203
Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk	Pages 76 to 80	Page 204

(1) ***Upside Notes with Capital at Risk – Overview***

The return on these Notes at maturity will be based on the performance of an Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The potential payouts at maturity for Upside Notes with Capital at Risk are as follows:

Scenario A – Upside Return or Digital Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive:

- "**Upside Return**" being their initial investment plus a percentage based on the difference between the final level or price of the Underlying, and the initial level or price of the Underlying (as applicable); this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, in the worked example below this is referred to as "**Gearing 1**"); or

- "**Digital Return**" being their initial investment multiplied by a specified percentage return.

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "**Trigger Event**"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event* has occurred, an investor's investment will be reduced by either:

- "**Downside Return 1**" being an amount linked to the decline in the performance of the Underlying (the "**downside**"); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, referred to in the worked example below as "**Gearing 2**"); or

- "**Downside Return 2**", being an amount linked to the downside performance of the Underlying between certain specified levels (such levels being the "**Upper Strike**" and the "**Lower Strike**" respectively); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, known as "**Gearing 2**").

*A "**Trigger Event**", where specified as applicable in the relevant Final Terms, is the fall in the level or price of the Underlying below a specified percentage of the initial level or price of the Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.

The worked examples below provide an example of an Upside Note with Capital at Risk which is not credit-linked and an Upside Note with Capital at Risk with Credit Linkage (to two reference entities).

Upside Notes with Capital at Risk worked example, Downside Return 1

Without credit linkage

Overview

The example below is of a five year Note linked to the performance of a single share (the "**Share**") and assumes an initial investment of GBP1,000 and an "**Initial Share Price**" (i.e. the share price on the issue date) of 1,000.

In this example, Upside Return and Downside Return 1 are applicable but Trigger Event is not applicable.

At the end of year 5, the Final Share Price will be used to determine the return on the Note. The "**Final Share Price**" is the closing price of the Share at the end of year 5.

If the Final Share Price is greater than 1,000 (i.e. 100% of the Initial Share Price, being the "**Return Threshold**"), the investor will receive their initial investment plus 200% (being "**Gearing 1**") of any increase in the price of the Share at the end of year 5 with an upper limit of a 100% increase on their initial investment ("**Cap**").

If the Final Share Price is equal to the Return Threshold, the investor will receive back their initial investment with no additional return.

If the Final Share Price is lower than the Return Threshold, an investor's investment will be reduced by 0.5% for every 1% fall in the Share Price at maturity (being "**Gearing 2**") including partial percentages.

The above scenarios are now described in further detail:

Maturity after 5 Years

Scenario A – Upside Return

The Final Share Price is 1,100 and therefore higher than the Return Threshold.

In this case an investor will receive back an amount equal to the upside performance of the Share multiplied by 200%, subject to a maximum of a 100% increase on their initial investment; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 plus the minimum of:

(a) Cap: 100% (GBP1,000)

(b) Upside: 200% x (1,100-1,000)/1,000 = 20% (GBP200)

Accordingly an investor will receive GBP1,000 + GBP200 = GBP1,200

Scenario B – No Return

The Final Share Price is 1,000 and therefore equal to the Return Threshold.

In this case an investor will receive back their initial investment with no additional return; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 100% = **GBP1,000**

Scenario C – Loss of Investment

The Final Share Price is 900 and therefore lower than the Return Threshold.

The Final Share Price (900) is 10% lower than the Initial Share Price (1,000). Therefore an investor's initial investment will be reduced by 5%, as an investor loses 0.5% for every 1% fall. **Therefore, on an initial investment of GBP1,000 an investor in the Note would receive back**:

GBP1,000 – 5% = GBP950

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Share Price of 1,000:

Final Share Price	Return
1,750 (75% higher than Initial Share Price)	GBP2,000*
1,450 (45% higher than Initial Share Price)	GBP1,900
1,010 (1% higher than Initial Share Price)	GBP1,020
1,000 (no change from Initial Share Price)	GBP1,000
990 (1% lower than Initial Share Price)	GBP995
550 (45% lower than Initial Share Price)	GBP775
250 (75% lower than Initial Share Price)	GBP625

* *Here the positive performance of the Final Share Price together with Gearing 1 has caused the return on the Notes to be subject to the Cap.*

Upside Notes with Capital at Risk, Downside Return 1 (with credit linkage) worked example

With General Recovery Rate

Overview

This example works in the same way as the above "*Upside Notes with Capital at Risk, Downside Return 1*" example but, in addition to the return on the Note being linked to the performance of the Share, the return of an investor's initial investment is also dependent on the solvency of Company A plc and Company B plc (the "**Reference Entities**").

In this example, as there are two Reference Entities, the portion of the Note linked to each Reference Entity will be 50% (the "**Relevant Portion**") and, accordingly, if one of the Reference Entities becomes subject to a Credit Event, a 50% portion of the investor's initial investment will be at risk. Therefore, for an initial investment of GBP1,000, GBP500 (plus any potential upside relating to such amount) will be at risk for each Credit Event.

Credit Linkage and General Recovery Rate are applicable to this example.

In this example Company A plc becomes subject to a Credit Event during the term of the Note.

In order to determine the amount an investor would receive in relation to the Relevant Portion of the Note linked to Company A plc, the following process will be followed:

(i) Upon Company A plc becoming subject to a Credit Event, Investec Bank plc will determine the fair and reasonable Value* of the Relevant Portion of the Note disregarding the effect of the Credit Event to which Company A plc is subject;

* *Value is the fair market value of the Note (expressed as a percentage of the initial investment). The fair market value takes into account movements in the underlying, volatility, interest rates and time to maturity and hedging costs but disregards the effect of the Credit Event to which Company A plc is subject on the initial investment*.

(ii) Investec Bank plc will then determine the Recovery Rate** for Company A plc.

** *Recovery Rate is the percentage representing the amount investors in unsecured, unsubordinated debt obligations issued or guaranteed by Company A plc are likely to receive as a proportion of the amount they would have received if Company A plc had not become subject to a Credit Event, as determined by reference to an auction coordinated by ISDA in respect of certain obligations of the Reference Entity, or, if no auction is held, a market price as determined by the Preference Share Calculation Agent.*

(iii) The amount an investor will receive in respect of the affected Relevant Portion will be calculated by multiplying the Value by the Recovery Rate.

The above scenario is now described in further detail:

A. Credit Event in respect of Company A plc – effect on Relevant Portion

Company A plc becomes subject to a Credit Event during the term of the Note and, accordingly, 50% (GBP500) of the investor's investment is at risk. Investec Bank plc (acting as calculation agent) determines the amount that an investor would receive in relation to the Relevant Portion is as follows:

(i) The Value of the Relevant Portion is determined to be **80%**, reflecting a deterioration of the price of the Share at that time.

(ii) The Recovery Rate of Company A plc is determined to be **50%** being the amount investors in unsecured, unsubordinated debt obligations issued or guaranteed by Company A plc are likely to receive as a proportion of the amount they would have received if Company A plc had not become subject to a Credit Event as determined by the Preference Share Calculation Agent by reference to an auction coordinated by ISDA in respect of certain obligations of the Reference Entity).

(iii) Investec Bank plc will then multiply the Value by the Recovery Rate. Accordingly, in this example, the investor would receive back:

80% (Value) x 50% (Recovery Rate) = 40% of the GBP500 linked to Company A plc

i.e. GBP500 x 40% = GBP200

This GBP200 will be paid upon the scheduled maturity date of the Note except that, if the Recovery Rate cannot be determined by the Preference Share Calculation Agent by the scheduled maturity date, payment of the Final Redemption Amount in respect of the Relevant Portion of such Note may be delayed and may fall after the Note's scheduled maturity date. Payment of the Final Redemption Amount may be delayed by up to 60 calendar days plus eight business days.

B. Maturity after 5 Years - remaining Relevant Portion

As Company A plc was subject to a Credit Event during the term of the Notes, the return linked to the performance of the Share will only be calculated on the remaining Relevant Portion, being the GBP500 of the Note relating to Company B plc (which was not was subject to a Credit

Event).

Accordingly, using the payouts described in the "*Upside Notes with Capital at Risk, Downside 1*" example above:

Scenario A – Upside Return on the remaining Relevant Portion

The Final Share Price is 1,100 and therefore higher than the Return Threshold. In this case an investor will receive back an amount equal to the upside performance of the Share multiplied by 200%, subject to a maximum return of a 100% increase on the Relevant Portion; **therefore, on an initial investment of GBP1,000, with the Relevant Portion being GBP500, an investor in the Note would receive:**

GBP500 *plus* the minimum of:

(a) Cap: 100% of the remaining Relevant Portion (i.e. GBP500); and

(b) Upside: 200% x 1,100-1,000/1,000 of the remaining Relevant Portion = 20% of GBP500 (i.e. GBP 100)

Accordingly an investor will receive GBP500 + GBP100 = GBP600

Scenario B – No Return on the remaining Relevant Portion

The Final Share Price is 1,000 and therefore equal to the Return Threshold.

In this case an investor will receive back their initial investment relating to the remaining Relevant Portion with no additional return; **therefore, on an initial investment of GBP1,000, with the Relevant Portion being GBP500, an investor in the Note would receive:**

GBP500 x 100% = **GBP500**

Scenario C – Loss of Investment on the remaining Relevant Portion

The Final Share Price is 900 and therefore lower than the Return Threshold.

The Final Share Price (900) is 10% lower than the Initial Share Price (1,000). Therefore an investor's initial investment will be reduced by 5%, as an investor loses 0.5% for every 1% fall. **Therefore, on an initial investment of GBP1,000, with the Relevant Portion being GBP500, an investor in the Note would receive back**:

GBP500 – 5% = GBP475

Upside Notes with Capital at Risk worked example, Downside Return 2

Without credit linkage

Overview

The example below is of a five year Note linked to the performance of a single share (the "**Share**") and assumes an initial investment of GBP1,000 and an "**Initial Share Price**" (i.e. the share price on the issue date) of 1,000.

In this example, Digital Return and Downside Return 2 are applicable but Trigger Event is not applicable.

At the end of year 5, the Final Share Price will be used to determine the return on the Note. The "**Final Share Price**" is the closing price of the Share at the end of year 5.

If the Final Share Price is greater than 1,000 (i.e. 100% of the Initial Share Price, being the "**Return Threshold**"), the investor will receive their initial investment multiplied by 150% (150% being the "**Digital Return**").

If the Final Share Price is equal to the Return Threshold, the investor will receive back their initial investment with no additional return.

If the Final Share Price is lower than the Return Threshold, an investor's investment will be reduced by 1% for every 1% fall in the Share Price at maturity between 1,000 (i.e. 100% of the Initial Share Price being the "**Upper Strike**") and 300 (i.e. 30% of the Initial Share Price being the "**Lower Strike**"), including partial percentages.

The above scenarios are now described in further detail:

Maturity after 5 Years

Scenario A – Digital Return

The Final Share Price is 1,100 and therefore higher than the Return Threshold.

In this case an investor will receive back 150% of their initial investment; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 150% = GBP1,500

Scenario B – No Return

The Final Share Price is 1,000 and therefore equal to the Return Threshold.

In this case an investor will receive back their initial investment with no additional return; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 100% = **GBP1,000**

Scenario C – Loss of Investment

The Final Share Price is 500 and therefore lower than the Return Threshold.

In this case an investor will receive their initial investment reduced by 1% for every 1% fall of the Share Price at maturity between 1,000 and 300, **therefore, on an initial investment of GBP1,000 an investor in the Note would receive:**

GBP1,000 x 500/1,000 = **GBP500**

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Share Price of 1,000:

Final Share Price	**Return**
1,750 (75% higher than Initial Share Price)	GBP1,500
1,450 (45% higher than Initial Share Price)	GBP1,500
1,010 (1% higher than Initial Share Price)	GBP1,500
1,000 (no change from Initial Share Price)	GBP1,000
990 (1% lower than Initial Share Price)	GBP990
550 (45% lower than Initial Share Price)	GBP550
250 (75% lower than Initial	GBP300*

Share Price)	

[*] *Here the Final Share Price has fallen below the Lower Strike of 300, however the investor is only exposed to any drop in the Final Share Price between 1,000 and 300.*

(2) ***Upside Plus Notes with Capital at Risk – Overview***

The return on these Notes at maturity will be based on the performance of an Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The potential payouts at maturity for Upside Plus Notes with Capital at Risk are as follows:

Scenario A – Upside Plus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive:

- "**Digital Return**" being their initial investment multiplied by a specified percentage return.

Further, if at maturity the level or price of the Underlying has increased by more than a specified percentage of the initial level or price of the Underlying (such percentage being the "**Upside Return Threshold**"), in addition to the Digital Return, an investor will receive:

- "**Upside Return**" being a percentage based on the difference between the final level or price of the Underlying, and the Upside Return Threshold; this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, in the worked example below this is referred to as "**Gearing 1**").

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "**Trigger Event**"[*] is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive their initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive their initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event[*] has occurred, an investor's investment will be reduced by either:

- "**Downside Return 1**" being an amount linked to the decline in the performance of the Underlying (the "**downside**"); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, in the worked example below this is referred to as "**Gearing 2**"); or

- "**Downside Return 2**", being an amount linked to the downside performance of the Underlying between certain specified levels (such levels being the "**Upper Strike**" and the "**Lower Strike**" respectively); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, known as "**Gearing 2**").

*A "**Trigger Event**", where specified as applicable in the relevant Final Terms, is the fall in the level or price of the Underlying below a specified percentage of the initial level or price of the Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.

Upside Plus Notes with Capital at Risk worked example, Downside Return 1

Overview

The example below is of a five year Note linked to the performance of a single share (the "**Share**") and assumes an initial investment of GBP1,000 and an "**Initial Share Price**" (i.e. the share price on the issue date) of 1,000.

In this example Downside Return 1 is applicable but Trigger Event is not applicable.

At the end of year 5, the Final Share Price will be used to determine the return on the Note. The "**Final Share Price**" is the closing price of the Share at the end of year 5.

If the Final Share Price is greater than 1,000 (i.e. 100% of the Initial Share Price, being the "**Return Threshold**"), the investor will receive their initial investment multiplied by 125% (125% being the "**Digital Return**").

Additionally if the Final Share Price is greater than 1,250 (i.e. 125% of the Initial Share Price, being the "**Upside Return Threshold**") the investor will also receive 100% (being "**Gearing 1**") of any increase in the price of the Share above 1,250 at the end of year 5 with no upper limit.

If the Final Share Price is equal to the Return Threshold, the investor will receive back their initial investment with no additional return.

If the Final Share Price is lower than the Return Threshold, an investor's investment will be reduced by 0.5% for every 1% fall in the Share Price at maturity (being "**Gearing 2**") including partial percentages.

The above scenarios are now described in further detail:

Maturity after 5 Years

Scenario A (version 1) – Upside Plus Return ("Digital Return" only)

The Final Share Price is 1,100 and therefore higher than the Return Threshold, but lower than the Upside Return Threshold.

In this case an investor will receive back 125% of their initial investment; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 125% = **GBP1,250**

In this scenario, an investor will not additionally receive any Upside Return as the Final Share Price is less than the Upside Return Threshold (the Upside Return Threshold being 1,250).

Scenario A (version 2) – Upside Plus Return ("Digital Return" and "Upside Return")

The Final Share Price is 1,300 and therefore higher than the Return Threshold. The Final Share Price is also higher than the Upside Return Threshold.

In this case an investor will receive back 125% (i.e. the Digital Return); plus 100% of the difference between the Final Share Price (being 1,300) and the Upside Return Threshold.

Therefore, on an initial investment of GBP1,000 an investor in the Note would receive:

Digital Return: GBP1,000 x 125% = **GBP1,250; plus**

Upside Return: GBP1,000 x (1,300 -1,250/1,000) **= 5% (GBP50)**

Accordingly an investor will receive GBP1,250 + GBP50 = GBP1,300

Scenario B – No Return

The Final Share Price is 1,000 and therefore equal to the Return Threshold.

In this case an investor will receive back their initial investment with no additional return.

Therefore, on an initial investment of GBP1,000 an investor in the Note would receive:

GBP1,000 x 100% = **GBP1,000**

Scenario C – Loss of Investment

The Final Share Price is 900 and therefore lower than the Return Threshold.

The Final Share Price (900) is 10% lower than the Initial Share Price (1,000). Therefore an investor's initial investment will be reduced by 5%, as an investor loses 0.5% for every 1% fall. **Therefore, on an initial investment of GBP1,000 an investor in the Note would receive back**:

GBP1,000 – 5% = GBP950

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Share Price of 1,000:

Final Share Price	**Return**
1,750 (75% higher than Initial Share Price)	GBP1,750
1,450 (45% higher than Initial Share Price)	GBP1,450
1,010 (1% higher than Initial Share Price)	GBP1,250
1,000 (no change from Initial Share Price)	GBP1,000
990 (1% lower than Initial Share Price)	GBP995
550 (45% lower than Initial Share Price)	GBP775
250 (75% lower than Initial Share Price)	GBP625

(3) ***Kick Out Upside Plus Notes with Capital at Risk – Overview***

Payout on Automatic Early Termination

These Notes have the potential for early maturity (kick out) on a certain date or dates specified in the Final Terms, depending on the level or price of the Underlying at that time. If the Notes kick out early an investor will receive a return of their initial investment plus a fixed percentage payment.

If "Kick Out Upside Return" is specified in the Final Terms as applicable to the relevant kick out date, if on such kick out date the level or price of the Underlying has increased by more than a specified percentage (being the "**Kick Out Upside Return Threshold**") of the initial level or price of the Underlying, an investor will also receive an amount (being the "**Kick Out Upside Return**") linked to the growth of the Underlying above the Kick Out Upside Return Threshold. This additional Kick Out Upside Return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, in the worked example below this is referred to as "**Kick Out Gearing**").

Payout at Maturity

If there has been no kick out, the return on the Notes at maturity will be based on the performance of an Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The potential payouts at maturity for Kick Out Upside Plus Notes with Capital at Risk are as follows:

Scenario A – Upside Plus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive:

- "**Digital Return**" being their initial investment multiplied by a specified percentage return.

If "Upside Return" is specified as applicable in the Final Terms, if at maturity the level or price of the Underlying has increased by more than a specified percentage of the initial level or price of the Underlying (such percentage being the "**Upside Return Threshold**"), in addition to the Digital Return, an investor will receive:

- "**Upside Return**" being a percentage based on the difference between the final level or price of the Underlying, and the Upside Return Threshold; this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, in the worked example below this is referred to as "**Gearing 1**").

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "**Trigger Event**"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive their initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive their initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event* has occurred, an investor's investment will be reduced by either:

- "**Downside Return 1**" being an amount linked to the decline in the performance of the Underlying (the "**downside**"); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, referred to in the worked example below as "**Gearing 2**"); or

- "**Downside Return 2**", being an amount linked to the downside performance of the Underlying between certain specified levels (such levels being the "**Upper Strike**" and the "**Lower Strike**" respectively); this downside performance may be subject to gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied, known as "**Gearing 2**").

*A "**Trigger Event**", where specified as applicable in the relevant Final Terms, is the fall in the level or price of the Underlying below a specified percentage of the initial level or price of the Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.

Kick Out Upside Plus Notes with Capital at Risk worked example, Downside Return 1

Overview

The example below is of a five year Note linked to the performance of the FTSE 100 index (the "**Index**") and assumes an initial investment of GBP1,000 and an "**Initial Index Level**" (i.e. the index level on the issue date) of 1,000.

In this example Kick Out Upside Return, Upside Return and Downside Return 1 are applicable but Trigger Event is not applicable.

The Note has the potential to "kick out" at the end of years 1, 2, 3 or 4 depending on the performance of the Index. This means the Note may mature early, returning an investor's initial investment plus a fixed payment, in this case 7% per annum. In addition, if the level of the Index on the relevant kick out date is above a specified level, in this case 110% of the Initial Index Level, an investor will receive an amount linked to the growth of the Index above 110%.

If the Note does not kick out early and continues to the end of year 5, the Final Index Level will be used to determine the return on the Note. The "**Final Index Level**" is the closing price of the Index at the end of year 5.

If the Final Index Level is greater than 1,000 (i.e. 100% of the Initial Index Level, being the "**Return Threshold**"), the investor will receive their initial investment multiplied by 135% (135% being the "**Digital Return**").

Additionally if the Final Index Level is greater than 1,500 (i.e. 150% of the Initial Index Level, being the "**Upside Return Threshold**") the investor will also receive 100% (being **"Gearing 1**") of any increase in the price of the Index above 1,500 at the end of year 5 with no upper limit.

If the Final Index Level is equal to the Return Threshold, the investor will receive back their initial investment with no additional return.

If the Final Index Level is lower than the Return Threshold, an investor's investment will be reduced by 0.5% for every 1% fall in the Index Level at maturity (being "**Gearing 2**"), including partial percentages.

The above scenarios are now described in further detail:

Early Maturity (kick out)

If at the end of years 1, 2, 3 or 4 the average of the closing level of the Index on the relevant anniversary of the Note is above 1,000, the Note will mature early (kick out) and an investor will receive back their initial investment plus 7% per annum.

In addition, if the closing level of the Index on the relevant anniversary of the Note is above 1,100 of the Initial Index Level (i.e. 110% of the Initial Index Level being the "**Kick Out Upside**

Return Threshold"), an investor will receive 100% (being the "**Kick Out Gearing**") of the increase of the Index above 1,100 (such additional amount being the "**Kick Out Upside Return**").

Accordingly, **if the level of the Index at the end of year 2 is 1,300, the Note will kick out at the end of year 2 and the investor will receive 7% per annum plus the additional Kick Out Upside Return**:

7% per annum: GBP1,000 x 114% = **GBP1,140**; plus

Kick Out Upside Return: GBP1,000 (1,300-1,100/1,000) = **20% (GBP200)**

Accordingly an investor will receive GBP1,140 + GBP200 = GBP1,340

If the Note does not kick out at the end of years 1, 2, 3 or 4 (i.e. the level of the Index is equal to or below 1,000 on each of these dates), the Note will continue to maturity.

Maturity after 5 Years

Scenario A (version 1) – Upside Plus Return ("Digital Return" only)

The Final Index Level is 1,100 and therefore higher than the Return Threshold, but lower than the Upside Return Threshold.

In this case an investor will receive back 135% of their initial investment; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive:**

GBP1,000 x 135% = **GBP1,350**

In this scenario, an investor will not additionally receive any Upside Return as the Final Index Level is less than the Upside Return Threshold (the Upside Return Threshold being 1,500).

Scenario A (version 2) – Upside Plus Return ("Digital Return" and "Upside Return")

The Final Index Level is 1,600 and therefore higher than the Return Threshold. The Final Index Level is also higher than the Upside Return Threshold.

In this case an investor will receive back 135% (i.e. the Digital Return); plus 100% of the difference between the Final Index Level (being 1,600) and the Upside Return Threshold. **Therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

Digital Return: GBP1,000 x 135% = **GBP1,350; plus**

Upside Return: GBP1,000 x (1,600 -1,500/1,000) **= 10% (GBP100)**

Accordingly an investor will receive GBP1,350 + GBP100 = GBP1,450

Scenario B – No Return

The Final Index Level is 1,000 and therefore equal to the Return Threshold.

In this case an investor will receive back their initial investment with no additional return.

Therefore, on an initial investment of GBP1,000 an investor in the Note would receive:

GBP1,000 x 100% = **GBP1,000**

Scenario C – Loss of Investment

The Final Index Level is 900 and therefore lower than the Return Threshold.

The Final Index Level (900) is 10% lower than the Initial Index Level (1,000). Therefore an investor's initial investment will be reduced by 5%, as an investor loses 0.5% for every 1% fall.

Therefore, on an initial investment of GBP1,000 an investor in the Note would receive back:

GBP1,000 – 5% = GBP950

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Index Level of 1,000:

Final Index Level	**Return**
1,750 (75% higher than Initial Index Level)	GBP1,600
1,450 (45% higher than Initial Index Level)	GBP1,350
1,010 (1% higher than Initial Index Level)	GBP1,350
1,000 (no change from Initial Index Level)	GBP1,000
990 (1% lower than Initial Index Level)	GBP995
550 (45% lower than Initial Index Level)	GBP775
250 (75% lower than Initial Index Level)	GBP625

(4) ***Kick Out Notes with Capital at Risk – Overview***

These Notes have the potential for early maturity (kick out) on a certain date or dates specified in the Final Terms, depending on the level or price of the Underlying at that time. If the Notes kick out early an investor will receive a return of their initial investment plus a fixed percentage payment.

If there has been no kick out, the return on the Notes at maturity will be based on the performance of an Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The potential payouts at maturity for Kick Out Notes with Capital at Risk are as follows:

Scenario A – Upside Return or Digital Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive either:

- "**Upside Return**", being their initial investment plus a percentage based on the difference between the final level or price of the Underlying, and the initial level or price of the Underlying (as applicable); this additional return may be subject to a cap (i.e. maximum amount) or gearing (i.e. a percentage by which any change in the level or price of the Underlying is multiplied); or

- "**Digital Return**", being their initial investment multiplied by a specified percentage.

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "**Trigger Event**"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of the Underlying at maturity.

[*]A "**Trigger Event**", where specified as applicable in the relevant Final Terms, is the fall in the level or price of the Underlying below a specified percentage of the initial level or price of the Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.

Kick Out Notes with Capital at Risk worked example

Overview

The example below is of a five year Note linked to the performance of the FTSE® 100 index (the "**Index**") and assumes an initial investment of GBP1,000 and an "**Initial Index Level**" (i.e. the index level on the issue date) of 6,000.

In this example Digital Return is applicable and Trigger Event is applicable.

The Note has the potential to "kick out" at the end of years 1, 2, 3 or 4 depending on the performance of the Index. This means the Note may mature early, returning the investor's initial investment plus a fixed payment, in this case 11.5% per annum.

If the Note does not kick out early and continues to the end of year 5, the Final Index Level will be used to determine the return on the Note. The "**Final Index Level**" is the closing level of the Index at the end of Year 5.

If the Final Index Level is greater than 6,000 (i.e. 100% of the Initial Index Level, being the "**Return Threshold**"), the investor will receive their initial investment multiplied by a specified percentage, in this case 157.5% (157.5% being the "**Digital Return**").

If at any point during the term of the Note (the entire term of the Note being the "**Barrier Period**") the Index falls to less than 3,000 (i.e. 50% of the Initial Index Level, being the "**Barrier**"), such drop to less than the Barrier will be a trigger event ("**Trigger Event**"). If there is a Trigger Event and the Final Index Level is lower than the Initial Index Level, an investor's investment will be reduced by 1% for every 1% fall in the Index at maturity, including partial percentages.

If no Trigger Event has occurred but the Final Index Level is lower than the Initial Index Level, then the investor will receive back their initial investment with no additional return.

The above scenarios are now described in further detail:

Early Maturity (kick out)

If at the end of years 1, 2, 3 or 4 the average of the closing levels of the Index on the relevant anniversary of the Note and the four previous Scheduled Trading Days is above 6,000, the Note will mature early (kick out) and an investor will receive back their initial investment plus 11.5% per annum.

Accordingly, **if the Note kicks out at the end of year 2, the investor will receive**:

GBP1,000 x 123% = **GBP1,230**

If the Note does not kick out at the end of years 1, 2, 3 or 4 (i.e. the level of the Index is equal to or below 6,000 on each of these dates), the Note will continue to maturity.

Maturity after 5 Years

Scenario A – Digital Return

The Final Index Level is 6,600 and therefore higher than the Return Threshold.

In this case an investor will receive back 157.5% of their initial investment; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 157.5% = **GBP1,575**

Scenario B – No Return

The Final Index Level is 5,400 and therefore lower than the Return Threshold but there has been no Trigger Event (i.e. the level of the Index has not fallen to less than 3,000 during the Barrier Period).

In this case an investor will receive back their initial investment with no additional return; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 100% = **GBP1,000**

Scenario C – Loss of Investment

The Final Index Level is 5,400 and therefore lower than the Return Threshold and there has been a Trigger Event (i.e. the level of the Index has fallen to less than 3,000 during the Barrier Period).

In this case an investor will receive their initial investment reduced by 1% for every 1% fall of the Index at maturity, **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 5,400/ 6,000 = **GBP900**

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Index Level of 6,000:

Final Index Level	**No Trigger Event**	**Trigger Event**
10,500 (75% higher than Initial Index Level)	GBP1,575	GBP1,575
8,700 (45% higher than Initial Index Level)	GBP1,575	GBP1,575
6,060 (1% higher than Initial Index Level)	GBP1,575	GBP1,575
6,000 (no change from Initial Index Level)	GBP1,000	GBP1,000
5,940 (1% lower than Initial Index Level)	GBP1,000	GBP990

3,300 (45% lower than Initial Index Level)	GBP1,000	GBP550
1,500 (75% lower than Initial Index Level)	Not possible*	GBP250

* The Index being 1,500 at maturity means that it would have fallen by more than 3,000 (i.e. 50%) during the term of the Note, therefore a Trigger Event will have occurred.

(5) ***Multi Equity Kick Out Notes with Capital at Risk – Overview***

These Notes have the potential for early maturity (kick out) on a certain date or dates specified in the Final Terms, depending on the level of the worst performing of two or more Underlyings at that time. If the Notes kick out early an investor will receive a return of their initial investment plus a fixed percentage payment.

If there has been no kick out, the return on the Notes at maturity will be based on the performance of the worst performing of two or more Underlyings, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The worst performing Underlying is the Underlying whose level or price at any relevant time shows the largest percentage decrease when compared to its initial level or price.

The potential payouts at maturity for Multi Equity Kick Out Notes with Capital at Risk are as follows:

Scenario A –Digital Return

If at maturity the level or price of the worst performing of two or more Underlyings is greater than a specified percentage of the initial level or price of such worst performing Underlying, an investor will receive their initial investment multiplied by a specified percentage return (i.e. a "**Digital Return**").

Scenario B – No Return

At maturity investors may receive their initial investment with no additional return in the following circumstances, depending on whether a "**Trigger Event**"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the worst performing Underlying is less than or equal to a specified percentage of the initial level or price of such Underlying (as applicable), an investor will receive its initial investment with no additional return, provided that a Trigger Event has not occurred.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the worst performing Underlying is equal to a specified percentage of the initial level or price of such Underlying (as applicable), an investor will receive its initial investment with no additional return.

Scenario C – Loss of Investment

If at maturity the level or price of the worst performing of two or more Underlyings is less than or equal to a specified percentage of the initial level or price of such worst performing Underlying (as applicable) and (only if specified as applicable in the Final Terms) a Trigger Event* has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of such worst performing Underlying at maturity.

*A "**Trigger Event**", where specified as applicable in the relevant Final Terms, is the fall in the level or price of any Underlying below a specified percentage of the initial level or price of such Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.

Multi Equity Kick Out Notes with Capital at Risk worked example

Overview

The example below is of a five year Note linked to the performance of the worst of two indices, being the FTSE® 100 index and the S&P 500® index (each an "**Index**"). The example assumes an initial investment of GBP1,000 and (i) for the FTSE 100 an "**Initial Index Level**" (i.e. the index level on the issue date) of 6,000 and (ii) for the S&P® 500 index an Initial Index Level of 5,000.

In this example Trigger Event is not applicable.

The Note has the potential to "kick out" at the end of years 1, 2, 3 or 4 depending on the performance of the worst performing Index. This means the Note may mature early, returning the investor's initial investment plus a fixed payment, in this case 5% per annum.

If the Note does not kick out early and continues to the end of year 5, the Final Index Level of each Index will be taken and compared to its Initial Index Level. The "**Final Index Level**" for each Index is the closing level of the Index at the end of year 5. The worst performing Index will be the Index with the largest percentage decrease when its Final Index Level is compared to its Initial Index Level.

The Final Index Level of the worst performing Index will be used to determine the return on the Note.

If the Final Index Level of (i) the FTSE® 100 index is greater than 5,400; **and** (ii) the S&P 500® index is greater than 4,500 (i.e. both Indices are above 90% of their Initial Index Levels, being the "**Return Threshold**"), the investor will receive a initial investment multiplied by a specified percentage, in this case 125% (125% being the "**Digital Return**").

If the Final Index Level of the worst performing Index is equal to the Return Threshold, an investor will receive back their initial investment with no additional return.

If the Final Index Level of either Index is lower than the Return Threshold, an investor's investment will be reduced by 1% for every 1% fall in the worst performing Index at maturity, including partial percentages.

The above scenarios are now described in further detail:

Early Maturity (kick out)

If at the end of years 1, 2, 3 or 4 the closing levels of both the FTSE® 100 index and the S&P 500® index on the relevant anniversary of the Note are above (i) in case of the FTSE® 100 index, 5,400 and (ii) in the case of S&P 500® index, 4,500 (i.e. in each case above 90% of their Initial Index Levels, being in this case the same as the Return Threshold used to determine payments at maturity), the Note will mature early (kick out) and an investor will receive back their initial investment plus 5% per annum.

Accordingly, **if the Note kicks out at the end of year 2, the investor will receive**:

GBP1,000 x 110% = **GBP1,110**

If the Note does not kick out at the end of years 1, 2, 3 or 4 (i.e. the level of the FTSE® 100 is equal to or below 5,400 and the S&P 500® index is equal to or below 4,500 on each of these dates), the Note will continue to maturity.

Maturity after 5 Years

Scenario A – Digital Return

The Final Index Level of (i) the FTSE® 100 index is 5,600 and (ii) the S&P 500® index is 4,600 and therefore both Indices are higher than the Return Threshold.

In this case an investor will receive back 125% of their initial investment; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 125% = **GBP1,250**

Scenario B – No Return

The Final Index Level of (i) the FTSE®100 index is 6,600 (i.e. 110% of the Initial Index Level for the FTSE 100 index) and (ii) the S&P 500® index is 4,500 (i.e. 90% of the Initial Index Level for the S&P 500® index). **Here the S&P 500® index is the worst performing index and is equal to the Return Threshold**.

In this case, due to the performance of the worst performing index, an investor will receive back their initial investment with no additional return; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 100% = **GBP1,000**

Scenario C – Loss of Investment

The Final Index Level of (i) the FTSE® 100 index is 6,600 (i.e. 110% of its Initial Index Level and greater than the Return Threshold) and (ii) the S&P 500® index is 4,000 (i.e. 80% of its Initial Index Level and lower than the Return Threshold). **Here the S&P 500® index is the worst performing index and is lower than the Return Threshold**.

In this case, due to the performance of the worst performing index, an investor will receive their initial investment reduced by 1% for every 1% fall of the S&P 500® index at maturity, **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x 4,000/ 5,000 = **GBP800**

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Index Level of the **worst performing Index** of 5,000**:**

Final Index Level of worst performing Index	**Return**
8,750 (75% higher than Initial Index Level)	GBP1,250
7,250 (45% higher than Initial Index Level)	GBP1,250
5,050 (1% higher than Initial Index Level)	GBP1,250
5,000 (no change from Initial Index Level)	GBP1,000
4,950 (1% lower than Initial Index Level)	GBP990
2,750 (45% lower than Initial Index Level)	GBP550
1,250 (75% lower than Initial Index Level)	GBP250

(6) ***N- Barrier Equity Linked Notes (Accumulation) with Capital at Risk – Overview***

The return on the Notes at maturity will be based on the performance of an Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The return on the Notes at maturity may include a specified bonus (a "**Bonus Return**"). The Bonus Return will accrue in respect of each specified period at the end of which the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying (the "**Bonus Level**"). The Bonus Return in respect of each specified period is determined independently and paid to the investor at maturity.

The final level of the Underlying at maturity is used to determine the return of the initial investment, together with any additional return, which is paid in addition to any Bonus Returns which are due in respect of the specified periods.

The potential payouts at maturity for N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk are as follows:

Scenario A – Digital Return plus Bonus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive their initial investment multiplied by a specified percentage return (being the "**Digital Return**") on the initial investment, plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the Bonus Level.

Scenario B – No Return on Investment and Bonus Return

At maturity investors may receive back their initial investment plus any accumulated Bonus Return(s) in the following circumstances, depending on whether a "**Trigger Event**"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), provided that a Trigger Event has not occurred, an investor will receive its initial investment plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the Bonus Level.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the Bonus Level.

Scenario C – Loss of Investment and Bonus Return

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), and (where specified as applicable in the Final Terms) a "**Trigger Event**" has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of the Underlying at maturity. The total return to the investor will then be equal to the initial investment after the reduction due to the fall in the level of the Underlying plus the Bonus Return multiplied by the number of periods (if any) for which the Underlying was higher than the specified percentage of the initial level of price of the Underlying.

*A "**Trigger Event**", where specified as applicable in the relevant Final Terms, is the fall in the level or price of the Underlying below a specified percentage of the initial level or price of the Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.

N Barrier Equity Linked Notes (Accumulation) with Capital at Risk worked example

Overview

The example below is of a five year Note linked to the performance of the FTSE® 100 index (the

"**Index**") and assumes an initial investment of GBP1,000 and an "**Initial Index Level**" (i.e. the index level on the issue date) of 6,000.

In this example Trigger Event is applicable.

The Note has the potential to pay a bonus of 5% of the initial investment (i.e. a "**Bonus Return**") for each period at the end of which the Index is above 6,000 (i.e. 100% of the Initial Index Level, being the "**Bonus Level**"). There are five 1-year periods during the term of the Note (each a "**Bonus Period**"). All of the Bonus Returns that are due in respect of the Note shall be paid at the end of Year 5.

In addition, at the end of Year 5, the Final Index Level will be used to determine the return on the Note. In this worked example, averaging will apply to the "**Final Index Level**" used to determine the return on the Note. Accordingly, the Final Index Level will be the average of the closing levels of the Index on 5 specified days prior to the maturity date. If the Final Index Level is greater than 6,000 (i.e. 100% of the Initial Index Level, being the "**Return Threshold**"), the investor will receive a fixed return on their initial investment, in this case 100% (100% being the "**Digital Return**").

If at any point during the term of the Note (the entire term of the Note being the "**Barrier Period**") the Index falls to less than 3,000 (i.e. 50% of the Initial Index Level, being the "**Barrier**"), such drop to less than the Barrier will be a trigger event ("**Trigger Event**"). If there is a Trigger Event and the Final Index Level is lower than the Initial Index Level, an investor's investment will be reduced by 1% for every 1% fall in the Index at maturity, including partial percentages. Any Bonus Returns which are due will still be paid to the investor.

If no Trigger Event has occurred but the Final Index Level is lower than the Initial Index Level, then the investor will receive back their initial investment plus any Bonus Returns which are due.

The above scenarios are now described in further detail:

Bonus Return

For each scenario below, the Bonus Returns to be paid to the investor are calculated independently of the proportion of the investor's initial investment that will be paid back at the end of Year 5.

In this worked example, there are five 1-year Bonus Periods. At the end of 3 of the 5 Bonus Periods the level of the Index was above the Bonus Level and, accordingly, the Bonus Return was due. Therefore 15% of the initial investment (5% x 3, being the Bonus Return) will be paid to the investor at the end of Year 5.

Maturity Return

Scenario A – Digital Return and/or Bonus Return

The average of the closing levels of the Index on the 5 specified days prior to maturity (being the Final Index Level) is 6,600 and therefore higher than the Return Threshold.

In this case an investor will receive back 100% (i.e. the Digital Return) of their initial investment plus the accumulated Bonus Returns (i.e. 5% x 3); **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x (100% + 5% x 3) = **GBP1,150**

Scenario B – No Return on Investment and Bonus Return

The average of the closing levels of the Index on the 5 specified days prior to maturity (being the Final Index Level) is 5,400 and therefore lower than the Return Threshold but there has been no Trigger Event (i.e. the level of the Index has not fallen to less than 3,000 during the

Barrier Period).

In this case an investor will receive back their initial investment plus the accumulated Bonus Returns (i.e. 5% x 3); **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x (100% + 5% x 3) = **GBP1,150**

Scenario C – Loss of Investment and Bonus Return

The average of the closing levels of the Index on the 5 specified days prior to maturity (being the Final Index Level) is 3,000 and therefore lower than the Return Threshold and there has been a Trigger Event (i.e. the level of the Index has fallen to less than 3,000 during the Barrier Period).

In this case an investor will receive their initial investment reduced by 1% for every 1% fall of the Index at maturity plus accumulated Bonus Returns (i.e. 5% x 3), **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x (3,000/ 6,000 + 5% x 3) = **GBP650**

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Index Level of 6,000. These figures include the accumulated Bonus Return of GBP150 (i.e. 5% x 3).

Final Index Level	No Trigger Event	Trigger Event
10,500 (75% higher than Initial Index Level)	GBP1,150	GBP1,150
8,700 (45% higher than Initial Index Level)	GBP1,150	GBP1,150
6,060 (1% higher than Initial Index Level)	GBP1,150	GBP1,150
6,000 (no change from Initial Index Level)	GBP1,150	GBP1,150
5,940 (1% lower than Initial Index Level)	GBP1,150	GBP1,140
3,300 (45% lower than Initial Index Level)	GBP1,150	GBP700
1,500 (75% lower than Initial Index Level)	Not possible*	GBP400

* The Index being 1,500 at maturity means that it would have fallen by more than 3,000 (i.e. 50%) during the term of the Note, therefore a Trigger Event will have occurred.

(7) ***Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk – Overview***

The return on the Notes at maturity will be based on the performance of an Underlying, and in certain circumstances this may result in the investor receiving an amount less than their initial investment.

The return on the Notes at maturity may include a specified bonus (a "**Bonus Return**"). The Bonus Return will accrue in respect of the number of days in each specified period during which the level or price of the Underlying is within a specified range of the initial level or price of the Underlying, between the "**Range Upper Level**" and the "**Range Lower Level**". The Bonus

Return in respect of each specified period is determined independently and paid to the investor at maturity.

The final level of the Underlying at maturity is used to determine the return of the initial investment, together with any additional return, which is paid in addition to any Bonus Returns which are due in respect of the specified periods.

The potential payouts at maturity for Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk are as follows:

Scenario A – Digital Return and/or Bonus Return

If at maturity the level or price of the Underlying is greater than a specified percentage of the initial level or price of the Underlying, an investor will receive their initial investment plus a specified percentage return (if any) on the initial investment, plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level.

Scenario B – No Return on Investment and Bonus Return

At maturity investors may receive back their initial investment plus any accumulated Bonus Return(s) in the following circumstances, depending on whether a "**Trigger Event**"* is specified as applicable in the Final Terms.

- If Trigger Event is specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), provided no Trigger Event has occurred, an investor will receive its initial investment plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level.

- If Trigger Event is not specified as applicable in the Final Terms:

If at maturity the level or price of the Underlying is equal to a specified percentage of the initial level or price of the Underlying (as applicable), an investor will receive its initial investment plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level.

Scenario C – Loss of Investment and Bonus Return

If at maturity the level or price of the Underlying is less than or equal to a specified percentage of the initial level or price of the Underlying (as applicable), and (where specified as applicable in the Final Terms) a "**Trigger Event**" has occurred, an investor's investment will be reduced by 1% for every 1% fall of the level or price of the Underlying at maturity. The total return to the investor will then be equal to the initial investment after the reduction due to the fall in the level of the Underlying plus the Bonus Returns accrued in respect of the number of days (if any) in each specified period during which the level or price of the Underlying was less than the Range Upper Level and greater than the Range Lower Level.

*A "**Trigger Event**", where specified as applicable in the relevant Final Terms, is the fall in the level or price of the Underlying below a specified percentage of the initial level or price of the Underlying either: (i) at any time during the period specified in the relevant Final Terms or (ii) on a particular date or dates specified in the relevant Final Terms.

Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk *worked example*

Overview

The example below is of a five year Note linked to the performance of the FTSE® 100 index (the "**Index**") and assumes an initial investment of GBP1,000 and an "**Initial Index Level**" (i.e. the index level on the issue date) of 6,000.

In this example Trigger Event is specified as applicable.

The Note has the potential to pay a bonus of 10% of the initial investment for each of two 2.5-year periods (each a "**Range Accrual Period**"). The bonus accumulated in respect of each period (the "**Bonus Return**") will be determined by the number of days in the Range Accrual Period in respect of which the FTSE 100 is within a range specified for that Range Accrual Period divided by the total number of days in the Range Accrual Period. The range specified for the first Range Accrual Period is 5,400 to 6,600 and the range specified for the second Range Accrual Period is 4,800 to 7,200 (5,400 and 4,800 being each a "**Range Lower Level**" and 6,600 and 7,200 being each a "**Range Upper Level**"). All of the Bonus Returns that are due in respect of the Note shall be paid at the end of Year 5.

In addition, at the end of Year 5 the Final Index Level will be used to determine the return on the Note. In this worked example, averaging will apply to the "**Final Index Level**" used to determine the return on the Note. Accordingly, the Final Index Level will be the average of the closing levels of the Index on 5 specified days prior to the maturity date.

If the Final Index Level is greater than 6,000 (i.e. 100% of the Initial Index Level, being the "**Return Threshold**"), the investor will receive a fixed return on their initial investment, in this case 100% (100% being the "**Digital Return**").

If at any point during the term of the Note (the entire term of the Note being the "**Barrier Period**") the Index falls to less than 3,000 (i.e. 50% of the Initial Index Level, being the "**Barrier**"), such drop to less than the Barrier will be a trigger event ("**Trigger Event**"). If there is a Trigger Event and the Final Index Level is lower than the Initial Index Level, an investor's investment will be reduced by 1% for every 1% fall in the Index at maturity, including partial percentages. The calculated amount will be added to any accumulated Bonus Return to be paid at maturity.

If no Trigger Event has occurred but the Final Index Level is lower than the Initial Index Level, then the investor will receive back their initial investment plus any Bonus Returns which are due.

The above scenarios are now described in further detail:

Bonus Return

For each scenario below, the Bonus Returns to be paid to the investor are calculated independently of the proportion of the investor's initial investment that will be paid back at the end of Year 5.

In this worked example, there are two Range Accrual Periods each of 625 days.

Range Accrual Period 1: Range Upper Level 6,600 and Range Lower Level 5,400. The total number of days in the Range Accrual Period in respect of which the official closing level of the Index was less than the applicable Range Upper Level and greater than the applicable Range Lower Level, was 200 ("**$NDIR_1$**").

Range Accrual Period 2: Range Upper Level 7,200 and Range Lower Level 4,800. The total number of days in the Range Accrual Period in respect of which the official closing level of the Index was less than the applicable Range Upper Level and greater than the applicable Range Lower Level, was 200 ("**$NDIR_2$**").

The total number of days in the Range Accrual Periods in respect of which the FTSE 100 is within the ranges specified ($NDIR_1$ + $NDIR_2$) was therefore 400 days. The total number of days in the Range Accrual Periods was 1,250.

Maturity Return

Scenario A – Digital Return and/or Bonus Return

The average of the closing levels of the index on the 5 specified days prior to maturity (being the Final Index Level) is 6,600 and therefore higher than the Return Threshold.

In this case an investor will receive back 100% (i.e. the "**Digital Return**") of their initial investment plus the accumulated Bonus Returns; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x (100% + 20% x 400/1250) = **GBP1,064**

Scenario B – No Return on Investment and Bonus Return

The average of the closing levels of the index on the 5 specified days prior to maturity (being the Final Index Level) is 5,400 and therefore lower than the Return Threshold but there has been no Trigger Event (i.e. the level of the Index has not fallen to less than 3,000 during the Barrier Period).

In this case an investor will receive back their initial investment plus the accumulated Bonus Returns; **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x (100% + 20% x 400/1250) = **GBP1,064**

Scenario C – Loss of Investment and Bonus Return

The average of the closing levels of the index on the 5 specified days prior to maturity (being the Final Index Level) is 3,000 and therefore lower than the Return Threshold and there has been a Trigger Event (i.e. the level of the Index has fallen to less than 3,000 during the Barrier Period).

In this case an investor will receive their initial investment reduced by 1% for every 1% fall of the Index at maturity plus accumulated Bonus Returns, **therefore, on an initial investment of GBP1,000 an investor in the Note would receive**:

GBP1,000 x (3,000/ 6,000 + 20% x 400/1250) = **GBP564**

Table of further illustrative payouts

The below table shows a number of potential pay-outs at maturity based on an initial investment of GBP1,000 with an Initial Index Level of 6,000. These figures include the accumulated Bonus Return of GBP64.

Final Index Level	No Trigger Event	Trigger Event
10,500 (75% higher than Initial Index Level)	GBP1,064	GBP1,064
8,700 (45% higher than Initial Index Level)	GBP1,064	GBP1,064
6,060 (1% higher than Initial Index Level)	GBP1,064	GBP1,064
6,000 (no change from Initial Index Level)	GBP1,064	GBP1,064
5,940 (1% lower than Initial Index Level)	GBP1,064	GBP1,054
3,300 (45% lower than Initial Index Level)	GBP1,064	GBP614

1,500 (75% lower than Initial Index Level)	Not possible*	GBP314

* The Index being 1,500 at maturity means that it would have fallen by more than 3,000 (i.e. 50%) during the term of the Note, therefore a Trigger Event will have occurred.

Please note: *The worked examples provided in this Section (Description of the Notes) are produced for illustrative purposes only. The analysis is based on simplifying assumptions and hypothetical figures, and does not reflect a complete analysis of all possible gain and loss scenarios that may arise under any actual investment in the Notes. No representation or warranty is made by the Issuer or any of its affiliates that any scenario shown above can be duplicated under any actual investment in the Notes. Actual results may vary from the results shown above, and variations may be material. The mark-to-market value of the Notes can fluctuate either upward or downward due to changes in prevailing market conditions. Accordingly, if an investment in the Notes is unwound, repurchased or otherwise redeemed whether at or prior to its stated maturity, investors in such Notes may receive less than the purchase price of the Notes and therefore sustain a loss which in a worst case scenario may be equal to their invested amount.*

TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes (the "**Terms and Conditions**") which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable final terms in relation to any Tranche of Notes ("the **Final Terms**") Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Form of the Notes" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

Unless specified otherwise, words and expressions not defined in these Terms and Conditions have the meanings given to them in the Final Terms.

This Note is one of a Series (as defined below) of Notes issued by Investec Bank plc (the "**Issuer**") constituted by an amended and restated principal trust deed most recently amended and restated on 13 August 2014 (such principal trust deed as further modified and/or supplemented and/or restated from time to time, the "**Principal Trust Deed**") made between the Issuer and Deutsche Trustee Company Limited (the "**Trustee**", which expression shall include any successor as Trustee and any other person or persons from time to time acting as Trustee under the Principal Trust Deed), as supplemented in relation to any Series of Secured Notes by a supplemental trust deed relating to the Collateral Pool (as defined below) securing such Series of Notes (such supplemental trust deed, as amended and/or supplemented and/or restated from time to time, the "**Supplemental Trust Deed**") and made between the Issuer, the Custodian (as defined below) and the Trustee.

References herein to the "**Trust Deed**" shall mean, in relation to any Series of Notes:

(i) if such Series is a Series of Unsecured Notes, the Principal Trust Deed; and

(ii) if such Series is a Series of Secured Notes, the Principal Trust Deed together with the Supplemental Trust Deed relating to such Series.

References herein to the "**Notes**" shall be references to the Notes of this Series and shall mean:

(i) in relation to any Notes represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;

(ii) any Global Note;

(iii) any definitive Notes in bearer form ("**Bearer Notes**") issued in exchange for a Global Note in bearer form;

(iv) any definitive Notes in certificated registered form ("**Registered Notes**") (whether or not issued in exchange for a Global Note in registered form); and

(v) in relation to any Uncertificated Registered Notes (as defined below), units of each Specified Denomination in the Specified Currency.

For the avoidance of doubt, references herein to "Registered Notes" do not include Uncertificated Registered Notes.

The Notes and the Receipts (as defined below) have the benefit of an amended and restated agency agreement most recently amended and restated on 11 June 2013 (such agency agreement, as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") and made between the Issuer, the Trustee and Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (the "**Principal Paying Agent**", which expression shall include any successor agent) and the other paying agent named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents), Deutsche Bank Luxembourg S.A as registrar in relation to Registered Notes (the "**Registrar**", which expression shall include any additional or successor registrar) and the other transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression shall include any additional or successor transfer agents), Deutsche Bank AG, London Branch as custodian (the "**Custodian**", which expression shall include any additional or successor custodian) with respect to Secured Notes and Deutsche Bank AG, London Branch as verification agent (the "**Verification Agent**", which expression shall include any additional or successor verification agent) with respect to Secured Notes. The Issuer will also appoint Investec Bank plc as calculation agent (the "**Calculation Agent**", which expression shall include any successor calculation agents) to carry out any necessary calculations or valuations in respect of the Notes, including the valuation of the related Preference Shares. In addition, the Issuer has entered into an agency agreement with Computershare Investor Services PLC and the Trustee as amended and restated on 13 August 2014 (such agency agreement, as amended and/or supplemented and/or restated from time to time, the "**Computershare Agency Agreement**") appointing the former as registrar and paying agent (the "**CREST Registrar**", which expression shall include any additional or successor registrar) with respect to Uncertificated Registered Notes.

Definitive Bearer Notes repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes, Uncertificated Registered Notes and Global Notes do not have Receipts attached on issue.

The Final Terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the "**applicable Final Terms**" are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

References herein to the "**Preference Shares**" shall be references to Preference Shares of the Class or Classes of Preference Shares to which Notes of this Series are linked as specified in the applicable Final Terms and any reference herein to any "**Class**" of Preference Shares shall be references to any of such Classes. The weighting expressed as a percentage (the "**Preference Share Weighting**") of each such Class of Preference Shares in relation to this Series of Notes shall be the percentage specified for such Class in the applicable Final Terms or, if this Series of Notes is linked to a single Class of Preference Shares only, 100 per cent. The Trustee acts for the benefit of the holders for the time being of the Notes (the "**Noteholders**", which expression shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Receipts (the "**Receiptholders**"), in accordance with the provisions of the Trust Deed.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates and/or Issue Prices.

Copies of the Principal Trust Deed, the Computershare Agency Agreement and the Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the Trustee, being at Winchester House, 1 Great Winchester Street, London EC2N 2DB and at the specified office of each of the Principal Paying Agent, the Registrar, the CREST Registrar and any other Paying Agents and Transfer Agents (such Principal Paying Agent, the Registrar, the CREST Registrar, any other Paying Agents and Transfer Agents being together referred to as the "**Agents**"). Copies of the applicable Final Terms and any applicable Supplemental Trust Deed are available for viewing at, and copies may be obtained from, Investec Bank plc, 2 Gresham Street, London EC2V 7QP, or from Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB save that, if this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms and any applicable

Supplemental Trust Deed will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the Trustee or (as the case may be) the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Receiptholders are deemed to have notice of, are bound by and are entitled to the benefit of, all the provisions of the Trust Deed and the applicable Final Terms which are applicable to them, and are deemed to have notice of all the provisions of the Agency Agreement and the Computershare Agency Agreement. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed.

Words and expressions defined in the Trust Deed, the Agency Agreement, the Computershare Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Trust Deed, the Agency Agreement, and the Computershare Agency Agreement the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed, the Agency Agreement and the Computershare Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. FORM, DENOMINATION AND TITLE

(a) *Form*

The Notes are in bearer form, registered form or uncertificated registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s).

This Note may be an Instalment Note or a combination of any of the foregoing, depending upon the Redemption / Payment Basis shown in the applicable Final Terms.

This Note may be an Unsecured Note or a Secured Note, depending on the Security Status shown in the applicable Final Terms.

(b) *Denomination*

The aggregate principal amount and denomination of the Notes will be specified in the applicable Final Terms.

Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes or Uncertificated Registered Notes and vice versa.

(c) *Title*

(i) *Bearer Notes and Registered Notes*

Subject as set out below, title to the Bearer Notes and Receipts will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, any Agent and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Receipt and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such

Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, any Agent and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

(ii) *Uncertificated Registered Notes*

The Uncertificated Registered Notes shall be issued in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**"). The Uncertificated Registered Notes are participating securities for the purposes of the Regulations. Title to the Uncertificated Registered Notes is recorded on the relevant Operator register of corporate securities. The CREST Registrar on behalf of the Issuer shall maintain a record of uncertificated corporate securities (the "**Record**") in relation to the Uncertificated Registered Notes and shall procure that the Record is regularly updated to reflect the Operator register of corporate securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of Uncertificated Registered Notes shall be treated by the Issuer and the CREST Registrar as the holder of such number of Uncertificated Registered Notes for all purposes (and the expressions "**Noteholder**" and "**holder of Uncertificated Registered Notes**" and related expressions shall be construed accordingly), and (ii) none of the Issuer and the CREST Registrar shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the CREST Registrar maintains are in accordance with particulars entered in the Operator register of corporate securities relating to the Uncertificated Registered Notes.

Title to Uncertificated Registered Notes will pass upon registration of the transfer in the Operator register of corporate securities. All transactions in relation to Uncertificated Registered Notes (including transfers of Uncertificated Registered Notes) in the open market or otherwise must be effected through an account at the Operator subject to and in accordance with the rules and procedures for the time being of the Operator.

No provisions of these Conditions as amended in accordance with the applicable Final Terms shall (notwithstanding anything contained therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to Uncertificated Registered Notes in uncertificated form, (II) the transfer of title to Uncertificated Registered Notes by means of a relevant system or (III) the Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in these Conditions or the applicable Final Terms, so long as the Uncertificated Registered Notes are participating securities, (A) the Operator register of corporate securities relating to the Uncertificated Registered Notes shall be maintained at all times in the United Kingdom, (B) the Uncertificated Registered Notes may be issued in uncertificated form in accordance with and subject as provided in the Regulations, and (C) for the avoidance of doubt, the Conditions and the applicable Final Terms in relation to any Uncertificated Registered Note shall remain applicable notwithstanding that they are not endorsed on any certificate for such Uncertificated Registered Note.

As used herein each of "**Operator register of corporate securities**", "**participating securities**", "**record of uncertificated corporate securities**" and "**relevant system**" is as defined in the Regulations and the relevant Operator (as such term is used in the Regulations) is Euroclear UK and Ireland Limited (formerly known as CRESTCo Limited) or any additional or alternative operator from time to time approved by the Issuer and the CREST Registrar in relation to the Uncertificated Registered Notes and in accordance with the Regulations. Any reference herein to the "**Operator**" shall, whenever the context so permits, be deemed to include a reference to any such additional or alternative Operator from time to time and notified to the holders of the Uncertificated Registered Notes in accordance with Condition 12 (*Notices*).

Except in the limited circumstances provided in the Trust Deed, Notes in definitive registered form will not be issued, either initially or in exchange for an Uncertificated Registered Note.

2. TRANSFERS OF REGISTERED NOTES

(a) *Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

(b) *Transfers of Registered Notes in definitive form*

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 2 (*Register and Transfer of*

Registered Notes) to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) *Costs of registration*

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

(d) *Exchanges and transfers of Registered Notes generally*

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time.

3. STATUS OF THE NOTES

The Notes and the relative Receipts are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3A (*Security*)) unsecured obligations of the Issuer that rank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) at least equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

3A. SECURITY

If the applicable Final Terms specify that a Series is a Series of Secured Notes, then the Secured Portion (as defined below) of such Notes, shall have the benefit of security granted by the Issuer over a pool (the "**Collateral Pool**") of certain posted collateral (the "**Posted Collateral**") and other secured assets (the "**Secured Assets**"), as specified in the applicable Final Terms and the Supplemental Trust Deed relating to such Series, in favour of the Trustee for the benefit of itself and the Noteholders and Receiptholders to secure its obligations under the Notes and Receipts in respect of such Series and any other Series of Secured Notes which are or will be secured by the same Collateral Pool (each a "**Related Covered Series**" and, together with such other Series of Secured Notes, the "**Covered Series**"). "**Secured Portion**" means in relation to any Covered Series, the portion of the Notes of such Series which have the benefit of the Security (as specified in the applicable Final Terms).

Any such security shall be created by a Supplemental Trust Deed substantially in the form scheduled to the Principal Trust Deed, with such amendments as the Issuer and the Trustee may agree from time to time. A Collateral Pool may secure the Issuer's obligations in respect of a single Series of Secured Notes or may be available to secure other Series of Secured Notes, if so specified in the applicable Final Terms and the relevant Supplemental Trust Deed.

Pursuant to the terms of the Trust Deed, the Posted Collateral in relation to all Covered Series in respect of a single Collateral Pool and the Exposure under such Covered Series will be required to be valued by the Valuation Agent on the Valuation Dates specified in the applicable Final Terms and the Supplemental Trust Deed and the Issuer may be required to post further Eligible Collateral or be entitled to request the return of any Posted Collateral based on such valuations. In addition, subject to the detailed provisions of the Trust Deed, the Issuer may be entitled to substitute Posted Collateral with other Eligible Collateral. The applicable Final Terms and the Supplemental Trust Deed may specify a Maximum Percentage in relation to any item(s) of Eligible Collateral, in which case the Issuer shall not be entitled to post such item(s) of Eligible Collateral to a Collateral Pool to the extent that it would result in the Value (as determined by the Valuation Agent) of such item(s) of Eligible Collateral, expressed as a percentage of the total Value (as determined by the Valuation Agent) of Posted Collateral in relation to such Collateral Pool, exceeding such Maximum Percentage. In addition, (a) to the extent that the Value on a Valuation Date of any item(s) of Posted Collateral, expressed as a percentage of the total Value of Posted Collateral for such Collateral Pool, exceeds the applicable Maximum Percentage, the Issuer will be required to substitute some or all of such items of Posted Collateral with other Eligible Collateral so that such Maximum Percentage is not exceeded, and (b) upon the redemption of a Relevant Portion of the Notes due to the redemption of a Class of Preference Share following the delivery of a Credit Event Notice, senior debt obligations issued or guaranteed by the relevant Reference Entity will no longer constitute Eligible Collateral and the Maximum Percentages specified in the Final Terms may be adjusted upwards by the Calculation Agent to reflect the removal of such Reference Entity.

The Supplemental Trust Deed relating to a Collateral Pool (and the Final Terms of each Series of Secured Notes that is a Covered Series in relation to such Collateral Pool) shall specify (a) whether the Collateral Pool is to secure one Series of Secured Notes only or may secure more than one Series, (b) the Eligible Collateral and related Valuation Percentages, (c) the Maximum Percentage relating to each item of Eligible Collateral, (d) the Valuation Dates, (e) the Eligible Currency, (f) the Minimum Transfer Amount and (g) the Independent Amount (if any).

The Security in relation to the Collateral Pool of any Covered Series shall become immediately enforceable following an Event of Default (as defined below) in relation to such Covered Series, upon the Trustee giving notice to the Issuer pursuant to Condition 9 (*Events of Default*).

In the event that the Security created by the Trust Deed in relation to the Collateral Pool of any Covered Series becomes enforceable as provided in these Conditions and the Trust Deed, the Trustee may at its discretion, and if so requested by holders of at least one quarter in nominal amount of the Notes of such Covered Series then outstanding or if so directed by an Extraordinary Resolution of the Noteholders of such Covered Series shall, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) enforce the Security, **provided**, **however**, **that** the Trustee shall not be required to take any action that would involve the Trustee in any personal liability or which may be contrary to applicable laws and/or regulations. In each case, the Trustee may act without any liability as to the consequence of such action and without having regard to the effect of such action on any individual Noteholders or Receiptholders.

Following any enforcement of the Security in relation to the Collateral Pool of any Covered Series, the proceeds from the Secured Assets shall be held by the Trustee upon trust to be applied in the following order of priority: (a) in and towards payment of all amounts due to the Trustee, any appointee and/or any receiver in relation to such Covered Series and any Related Covered Series, (b) in and towards payment of all amounts of principal due but unpaid to the Noteholders and any Receiptholders of such Covered Series and any Related Covered Series on a *pari passu* and *pro rata* basis according to the amount due to be paid to each Noteholder and Receiptholder and (c) the balance (if any) to the Issuer.

4. PAYMENTS

(a) *Method of payment*

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne and Wellington, respectively); and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6 (*Taxation*).

(b) *Presentation of definitive Bearer Notes and Receipts*

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

Payments of instalments of principal (if any) in respect of definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

(c) *Payments in respect of Global Notes in bearer form*

Payments of principal in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of the Principal Paying Agent. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal, will be made on such Global Note by the Principal Paying Agent and such record shall be *prima facie* evidence that the payment in question has been made.

(d) *Payments in respect of Registered Notes*

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "**Register**") at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if a holder does not have a Designated Account, payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne and Wellington, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

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

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

Neither the Issuer nor any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(e) *Payments in respect of Uncertificated Registered Notes*

The Issuer shall pay or cause to be paid payments of principal in respect of Uncertificated Registered Notes to the relevant Noteholder's cash memorandum account (as shown in the records of the Operator) for value on the Maturity Date or Automatic Early Redemption Date, as the case may be, such payment to be made in accordance with the rules of the Operator.

(f) *General provisions applicable to payments in respect of Notes held in Euroclear and/or Clearstream, Luxembourg*

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

(g) *U.S. Paying Agent*

Notwithstanding the forgoing provisions of this Condition, if any amount of principal in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal on the Bearer Notes in the manner provided above when due;

(ii) payment of the full amount of such principal at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal in U.S. dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(h) *Payment Day*

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

(i) In the case of Notes in definitive form only, unless otherwise specified in the applicable Final Terms, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

  (A) the relevant place of presentation;

  (B) London;

  (C) each Additional Financial Centre specified in the applicable Final Terms; and

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne and Wellington, respectively) or (2) in relation to any sum payable in euro, a TARGET Settlement Day.

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro.

(i) *Interpretation of principal*

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

(ii) any additional amounts which may be payable with respect to principal under Condition 6 (*Taxation*);

(iii) the Final Redemption Amount of the Notes;

(iv) in relation to Notes redeemable in instalments, the Instalment Amounts; and

(v) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

5. REDEMPTION AND PURCHASE

The Issuer shall not be at liberty to redeem or purchase the Notes, except in accordance with the following provisions of this Condition.

(a) *General – Linkage to Preference Shares*

Each Note will be linked to the Class or Classes of Preference Shares specified in the applicable Final Terms, with each such Class having the Preference Share Weighting specified therein. The portion of each Note linked to a particular Class of Preference Shares (the "**Relevant Portion**") shall be a percentage portion of its Specified Denomination equal to the Preference Share Weighting of such Class. Each Relevant Portion of a Note shall be redeemed in accordance with this Condition 5 (*Redemption and Purchase*), which shall apply separately to each Relevant Portion in the same manner as if each Relevant Portion were a separate Note.

(b) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, the Relevant Portion of each Note in relation to each Class of Preference Shares will be redeemed by the Issuer at its Final Redemption Amount in the relevant Specified Currency on the Maturity Date; **provided**, **however**, **that**, (i) payment of the Final Redemption Amount shall be made to Noteholders on the third Business Day following the Maturity Date; and (ii) if the payment of the redemption price in respect of any Class of Preference Shares has been postponed as a result of (A) the occurrence of a Disrupted Day (as defined in the Articles of the issuer of the Preference Shares), (B) the Final Redemption Date not being a Business Day (as such terms are defined in the terms of the relevant Preference Share) or (C) the giving of a Credit Event Notice (as defined in the Articles of the issuer of the Preference Shares), then the Relevant Portion of each Note relating to such Class will be redeemed by the Issuer on the date that is three Business Days following the date on which the relevant Preference Share is redeemed by the issuer thereof and no additional amounts shall be payable in respect of such Relevant Portion on account of such postponement, unless otherwise specified in the applicable Final Terms.

In these Conditions:

"**Final Redemption Amount**" means in relation to the Relevant Portion of a Note of a Specified Denomination linked to a particular Class of Preference Shares, unless otherwise specified in the applicable Final Terms, subject to Condition 5(l) (*Rounding*), an amount calculated as follows:

$$\text{Relevant Portion} \times \text{Specified Denomination} \times \frac{\text{Final Value}}{\text{Initial Value}}$$

where:

"**Final Value**" means the value of one Preference Share of such Class on the redemption date of the Relevant Portion of the Note as determined by the Calculation Agent;

"**Initial Value**" means the initial value of one Preference Share of such Class, being its issue price, as specified in the relevant Preference Share Confirmation; and

"**Relevant Portion**" means the Relevant Portion of the Note, expressed as a percentage, linked to such Class of Preference Shares.

(c) *Redemption for tax reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as provided or referred to in Condition 6 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 6 (*Taxation*)) 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 Notes and **provided that** each of the following is satisfied:

(X) such obligation referred to above, cannot be avoided by the Issuer taking reasonable measures available to it; and

(Y) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts or give effect to such treatment, as the case may be, were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts stating that the obligation or treatment, as the case may be, referred to in this Condition 5(c) cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which case it shall be conclusive and binding on the Noteholders and the Receiptholders.

Each Relevant Portion of the Notes redeemed pursuant to this Condition 5(c) will be redeemed at its Final Redemption Amount.

(d) *Redemption at the option of the Issuer (Issuer Call)*

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having (unless otherwise specified in the applicable Final Terms) given not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent (and, in the case of a redemption of Registered Notes and Uncertificated Registered Notes, the Registrar or the CREST Registrar, as applicable), the competent authority or stock exchange on which the Notes are listed, if any (if required by such competent authority or stock exchange) and, in accordance with Condition 12 (*Notices*), the Noteholders (which notices shall be irrevocable), redeem each Relevant Portion of all (but not only some) of the Notes then outstanding on the Optional Redemption Date at its Final Redemption Amount. Upon expiry of such notice the Issuer shall be bound to redeem each Relevant Portion of the Notes in whole (but not in part).

(e) *Automatic Early Redemption of Preference Shares*

If any Class of Preference Shares is redeemed prior to the Maturity Date (A) as a result of an Automatic Early Redemption Event (as defined in the Articles of the issuer of the Preference Shares), or (B) as a result of the giving of a Credit Event Notice, the Issuer shall promptly give notice thereof to the Noteholders (with a copy to the Trustee) and shall redeem the Relevant Portion of the Notes relating to such Class of Preference Shares in whole (but not in part) on the relevant Automatic Early Redemption Date (as defined in the Articles of the issuer of the Preference Shares) or (as the case may be) Credit Event Redemption Date (as defined in the Articles of the issuer of the Preference Shares) at its Final Redemption Amount, **provided that** the Issuer shall pay such Final Redemption Amount to Noteholders on the day that is three Business Days following such Automatic Early Redemption Date or (as the case may be) Credit Event Redemption Date.

(f) *Preference Share Disruption Events*

In relation to any Class of Preference Shares, if at any time on or after the Issue Date and prior to the Maturity Date:

(i) such Class of Preference Shares is redeemed other than as a result of an Automatic Early Redemption Event or the giving of a Credit Event Notice;

(ii) the issuer of such Class of Preference Shares becomes insolvent or a liquidator or receiver is appointed in respect thereof; and/or

(iii) the rights attaching to such Class of Preference Shares are varied such that -they no longer reflect the economic intention of the Relevant Portion of the Notes (and the Issuer has delivered to the Trustee a certificate signed by two directors of the Issuer certifying the same) (each a "**Preference Share Disruption Event**"),

the Issuer shall promptly give notice thereof to the Noteholders (with a copy to the Trustee) and shall redeem the Relevant Portion of the Notes relating to such Class of Preference Shares at its Final Redemption Amount (a) in the case of (i) above, on the date on which such Class of Preference Shares is redeemed by the issuer thereof and (b) in the case of (ii) and (iii) above, as soon as practicable after the occurrence of the relevant Preference Share Disruption Event **provided**, **however**, **that** the Issuer shall pay the Final Redemption Amount in respect of the Relevant Portion of the Notes relating to such Class of Preference Shares to Noteholders on the day that is three Business Days following such date of early redemption.

(g) *Correction of Final Redemption Amount*

If the Redemption Price of any Class of Preference Shares is corrected following an early redemption date or final redemption date of such Class of Preference Shares and the correction is notified to holders of such Class of Preference Shares within three Business Days after such early redemption date or final redemption date, as the case may be, the Calculation Agent shall adjust its calculation of the Final Redemption Amount in respect of the Relevant Portion of the Notes relating to such Class of Preference Shares accordingly.

(h) *Instalments*

Instalment Notes will be redeemed, in relation to each Relevant Portion, in the Instalment Amounts and on the Instalment Dates at the Final Redemption Amount relating to such Relevant Portion.

(i) *Purchases*

The Issuer or any of its subsidiaries, any holding company of the Issuer or any other subsidiary of any such holding company, may (subject as provided above) at any time purchase Notes (**provided that**, in the case of definitive Bearer Notes, all unmatured Receipts appertaining thereto are purchased therewith) in any manner or at any price.

(j) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled (other than Uncertificated Registered Notes) (together with all unmatured Receipts cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold. Notes purchased by the Issuer or any of its subsidiaries, any holding company of the Issuer or any other subsidiary or any such holding company may be held or resold or surrendered for cancellation.

(k) *Valuation of Preference Shares*

The Calculation Agent, acting in good faith, shall take into account all relevant facts and circumstances in determining the value of any Class of Preference Shares where required to do so for purposes of these Conditions (and whether at their maturity or otherwise), including, but not limited to, the financial standing of the issuer of such Class of Preference Shares and its ability to pay any amounts falling due from time to time thereunder (which ability may be presumed in circumstances where the relevant Class of Preference Shares has been redeemed in full). Any calculation made by the Calculation Agent pursuant to this Condition 5(k) shall, in the absence of wilful default, bad faith and manifest error, be binding on the Issuer, the Trustee and the Noteholders and Receiptholders.

(l) *Rounding*

In respect of the calculation of the Final Redemption Amount in relation to any Relevant Portion of the Notes, in rounding any values determined or calculated in connection therewith the Calculation Agent shall apply the following rounding conventions: (A)(i) so long as the Notes are in the form of Uncertificated Registered Notes and are held in CREST, the Final Redemption Amount shall be calculated in relation to the aggregate principal amount of the Notes outstanding, rounded down to the nearest currency unit and paid to Euroclear UK and Ireland Limited (formerly known as CRESTCo Limited) for distribution by it to entitled accountholders in accordance with Euroclear UK and Ireland Limited's usual rules and procedures; (ii) if Uncertificated Registered Notes are at any time exchanged for Definitive Registered Notes, the Final Redemption Amount will be calculated in relation to each Specified Denomination and rounded to the nearest currency unit; (B)(i) so long as the Notes are represented by a Global Note in bearer form, the Final Redemption Amount shall be calculated in relation to the aggregate principal amount of the Notes outstanding, rounded down to the nearest currency unit and paid in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of the Principal Paying Agent in accordance with Condition 4(c) (*Payments — Payments in respect of Global Notes in bearer form*); (ii) if a Global Note is at any time exchanged for definitive Bearer Notes, the Final Redemption Amount will be calculated in relation to each Specified Denomination and rounded to the nearest currency unit and paid against presentation and surrender in accordance with Condition 4(b) (*Payments — Presentation of definitive Bearer Notes, Receipts and Coupons*).

6. TAXATION

Transactions involving Notes may have tax consequences for potential purchasers which may depend, amongst other things, upon the status of the potential purchaser and laws relating to transfer and registration taxes. No representation is made by the Issuer or the Dealer as to the tax consequences for any person of acquiring, holding or disposing of any Notes or any other transaction involving any Notes. Potential purchasers who are in any doubt about such matters or any other tax issues relating to the Notes should consult and rely on their own tax advisers. Potential investors should seek their own advice in this regard.

7A. TAXATION — NO GROSS UP

This Condition 7A will be applicable to all issues of Notes unless it is specified in the applicable Final Terms that Condition 7B (*Taxation — Gross Up*) is applicable.

All payments in respect of the Notes and Receipts by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer shall not be required to pay to holders of Notes and/or Receipts any additional amounts in connection with such withholding or deduction.

7B. TAXATION — GROSS UP

This Condition 7B will only be applicable to such issue of Notes where it is specified in the applicable Final Terms that such Condition 7B (*Taxation — Gross Up*) is applicable.

All payments in respect of the Notes and Receipts by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes and Receipts after such withholding or deduction shall equal the respective amounts of principal which would otherwise have been receivable in respect of the Notes or Receipts, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Receipt:

(a) presented for payment by, or by a third party on behalf of, a holder who (i) could avoid such withholding or deduction by complying, or procuring that any third party complies with, any statutory or procedural requirements (including, without limitation, the provision of information) or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority; or (ii) is liable for such taxes or duties in respect of such Note or Receipt by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Receipt; or

(b) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4(h) (*Payments — Payment Day*)) in the place of surrender; or

(c) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any other Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(d) presented for payment by or on behalf of a holder who is able to avoid such withholding or deduction by presenting the relevant Note or Receipt to another Paying Agent in a Member State of the European Union.

In these Conditions:

"**Tax Jurisdiction**" means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax; and

the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying

Agent, the Trustee or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 12 (*Notices*).

Any reference in these Conditions to principal shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertakings given in addition thereto or in substitution thereof pursuant to the Trust Deed.

7C. TAXATION — FATCA

This Condition 7C will be applicable to all Series of Notes.

Notwithstanding any other provision in these Conditions, the Issuer, and the Paying Agents, shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the US Internal Revenue Service ("**FATCA withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of FATCA withholding.

8. PRESCRIPTION

The Notes (whether in bearer, uncertificated registered or certificated registered form) and Receipts will become void unless presented for payment within a period of 10 years (in the case of principal) after the Relevant Date (as defined in Condition 6 (*Taxation*)) therefor.

9. EVENTS OF DEFAULT

(a) *Events of Default*

If any of the following events (each an "**Event of Default**") occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least one quarter in nominal amount of the Notes then outstanding (as defined in the Trust Deed) or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders shall (subject in each case to being indemnified, secured and/or prefunded to its satisfaction), give notice to the Issuer (with a copy to the Custodian, in the case of any Secured Notes) that the Notes are, and they shall immediately become, due and payable at their Final Redemption Amount (determined in accordance with Condition 5(b) (*Redemption and Purchase — Redemption at maturity*)):

(i) if default is made in the payment of any principal or premium due in respect of the Notes or any of them and the default continues for a period of 7 days in the case of principal or premium; or

(ii) if the Notes are Secured Notes, default is made in the payment of any principal or premium due in respect of any Related Covered Series or any of them and the default continues for a period of 7 days in the case of principal or premium; or

(iii) if the Notes are Secured Notes:

(A) the Issuer fails to make, when due, any transfer of Eligible Collateral required to be made by it in relation to the related Collateral Pool and that failure continues for 7 days after notice of such failure is given to it by the Trustee; or

(B) the Issuer fails to perform any other of its obligations under the Trust Deed in relation to the Collateral Pool relating to such Notes and such failure continues for 45 days after notice of such failure is given to it by the Trustee; or

(iv) if an administrator is appointed in respect of the Issuer or any order is made or an effective resolution is passed for the winding up or dissolution of the Issuer and any resulting administration, winding up or dissolution process remains undismissed for 45 days (save for the purposes of reorganisation, reconstruction, amalgamation, merger or consolidation on terms approved by the Trustee or by an Extraordinary Resolution of the Noteholders).

(b) *Enforcement*

(i) The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Receipts, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes or the Receipts unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one quarter in nominal amount of the Notes then outstanding and (b) it shall have been indemnified, secured and/or prefunded to its satisfaction.

(ii) No Noteholder shall be entitled to institute proceedings directly against the Issuer or prove in the winding up of the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure is continuing, in which event any Noteholder may, on giving an indemnity, security and/or prefunding satisfactory to the Trustee, in the name of the Trustee (but not otherwise) himself institute such proceedings and/or prove in the winding up of the Issuer to the same extent and in the same jurisdiction (but not further or otherwise) that the Trustee would have been entitled to do so in respect of the Notes and/or the Trust Deed.

10. REPLACEMENT OF NOTES AND RECEIPTS

Should any Note or Receipt be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes and Receipts) or the Registrar (in the case of Registered Notes) or the CREST Registrar (in the case of Uncertificated Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Receipts must be surrendered before replacements will be issued.

11. AGENTS

The names of the initial Agents and their initial specified offices are set out below.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, **provided that**:

(a) there will at all times be a Principal Paying Agent, a Paying Agent, a Transfer Agent and a Registrar or a CREST Registrar (as the case may be);

(b) so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes and Receipts) or the Registrar (in the case of Registered Notes) or the CREST Registrar (in the case of Uncertificated Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority);

(c) here will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive;

(d) so long as there are any Secured Notes which remain outstanding, there will be a Custodian and a Verification Agent.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 4(g) (*Payments — U.S. Paying Agent*). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 12 (*Notices*).

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

12. NOTICES

(a) *Notices in respect of Bearer Notes and Registered Notes*

All notices regarding Bearer Notes will be deemed to be validly given if published (i) in a leading English language daily national newspaper of general circulation in the United Kingdom and (ii) or as otherwise required by any stock exchange or any other competent authority by or on which the Bearer Notes are for the time being listed. It is expected that any such publication in a newspaper will, if required, be made in the *Financial Times* in London. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to be given on such date, as the Trustee shall approve.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed by or on a competent authority or stock exchange and the rules of that competent authority or stock exchange so require, such notice will be published in a daily newspaper of general circulation in the places or places required by that competent authority or stock exchange.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/ or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/ or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or

Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

(b) *Notices in respect of Uncertificated Registered Notes*

All notices regarding Uncertificated Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders at their respective addresses appearing in the Record and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Uncertificated Registered Notes are listed by or on a competent authority or stock exchange and the rules of that competent authority or stock exchange so require, such notice will be published in a daily newspaper of general circulation in the places or places required by that competent authority or stock exchange.

13. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing more than 50 per cent. of the nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Receipts or (including, but not limited to, modifying the date of maturity of the Notes or any date for payment of principal thereon, reducing or cancelling the amount of principal payable in respect of the Notes or altering the currency of payment of the Notes or the Receipts, the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders.

The Trust Deed provides for a resolution, with or without notice, in writing signed by or on behalf of the holder or holders of not less than 90 per cent. of the principal amount of the Notes for the time being outstanding to be as effective and binding as if it were an Extraordinary Resolution duly passed at a meeting of the Noteholders.

The Trustee may agree, without the consent of the Noteholders or Receiptholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification shall be binding on the Noteholders and the Receiptholders and any such modification shall be notified to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Receiptholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Receiptholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Receiptholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Receiptholders except to the extent already provided for in Condition 6 (*Taxation*) and/or any undertaking or covenant given in addition to, or in substitution for, Condition 6 (*Taxation*) pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, agree with the Issuer, to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Receipts and the Trust Deed of another company, being a subsidiary of the Issuer, subject to (a) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (b) compliance with certain other conditions set out in the Trust Deed.

14. **INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER AND TRUSTEE'S RETIREMENT AND REMOVAL**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified, secured and/or prefunded to its satisfaction.

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

The Trust Deed contains provisions allowing the Trustee to retire at any time on giving not less than 60 days' prior written notice to the Issuer without giving any reason and without being responsible for any Expenses (as defined in the Trust Deed) incurred by such retirement. The Noteholders may by Extraordinary Resolution remove any trustee or trustees of the Notes. The Trust Deed provides that the retirement or removal of any such Trustee shall not become effective until a successor trustee (being a trust corporation) is appointed. The Trust Deed provides that, in the event of the Trustee giving notice of retirement or being removed by Extraordinary Resolution under the Trust Deed, the Issuer shall use all reasonable endeavours to procure that a new trustee is appointed as soon as reasonably practicable. If no appointment has become effective within 60 days of such notice or Extraordinary Resolution, the Trust Deed provides that the Trustee shall be entitled to appoint a trust corporation. No appointment of a trustee shall take effect unless previously approved by an Extraordinary Resolution. Notice of any such change shall be given to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

15. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Receiptholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects and so that the same shall be consolidated and form a single Series with the outstanding Notes.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

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

17. GOVERNING LAW

Each of the Trust Deed, the Agency Agreement, the Notes, the Receipts and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

FORM OF THE NOTES

References to the "**Issuer**" are references to Investec Bank plc, and references to the "**Notes**" are references to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme.

References to "**Tranche**" in this section are references to Notes which are identical in all respects (including as to listing and admission to trading) and references to "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective issue dates and prices of issue.

The Notes of each Series will be in either bearer form, certificated registered form or uncertificated registered form.

Bearer Notes

Each Tranche of Notes in bearer form will be initially issued in the form of a temporary bearer global note (a "**Temporary Bearer Global Note**") or, if so specified in the applicable Final Terms, a permanent bearer global note (a "**Permanent Bearer Global Note**" and, together with the Temporary Bearer Global Note, the "**Global Notes**") which, in either case, will be delivered on or prior to the issue date of the relevant Tranche to a common depositary (the "**Common Depositary**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**").

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a similar certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, receipts attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given, **provided that** purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused. Temporary Bearer Global Notes exchangeable for definitive Bearer Notes on or after the Exchange Date will not have a Specified Denomination which includes the concept of higher integral multiples above the minimum denomination.

Payments of principal or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, receipts attached upon either (i) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein or (ii) only upon the occurrence of an Exchange Event. Where the applicable Final Terms specify that a

Permanent Bearer Global Note will be exchangeable on 60 days' notice given at any time, the Notes will not have a Specified Denomination which includes the concept of higher integral multiples above the minimum denomination. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 9 (*Events of Default*)) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative or successor clearing system satisfactory to the Trustee is available or (iii) the Issuer would suffer a disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear and/or Clearstream, Luxembourg which would not be suffered were the Notes in definitive form and a certificate to such effect signed by two directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 12 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Bearer Notes that are not in registered form for U.S. tax purposes which have an original maturity of more than 365 days and on all receipts relating to such Notes:

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

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

Notes which are represented by a Temporary Bearer Global Note or a Permanent Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a "**Registered Global Note**"). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Registered Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 (*Transfers of Registered Notes*) and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Registered Global Note will bear a legend regarding such restrictions on transfer.

Registered Global Notes will be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 4(d) (*Payments - Payments in respect of Registered Notes*)) as the registered holder of the Registered Global Notes. None of the Issuer, the Trustee, any Paying

Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 4(d) (*Payments - Payments in respect of Registered Notes*)) immediately preceding the due date for payment in the manner provided in that Condition.

Notwithstanding Condition 4(d) (*Payments - Payments in respect of Registered Notes*), for so long as any Registered Note in global form is held through a clearing system, payments of any amount in respect of the Registered Notes will be made to the person shown in the Register as the Registered Holder of the Notes represented by a Registered Note at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where the "**Clearing System Business Day**" means a day on which each clearing system for which the Global Trust Certificate is being held is open for business. None of the Issuer, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts attached only upon the occurrence of an Exchange Event. The Issuer will promptly give notice to Noteholders in accordance with Condition 12 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable see "*Subscription and Sale*"**.**

For purposes of clarity, references herein to "**Registered Notes**" do not include Notes issued in uncertificated registered form (the "**Uncertificated Registered Notes**", as further described below). Registered Notes, in either global or definitive form, are not exchangeable for Uncertificated Registered Notes and *vice versa* (except that Uncertificated Registered Notes shall be exchanged for Registered Definitive Notes in certain limited circumstances specified in the Trust Deed, including in circumstances where such Uncertificated Registered Notes cease to be participating securities capable of being held in CREST).

Uncertificated Registered Notes

Each Tranche of Uncertificated Registered Notes will be in uncertificated registered form comprising Notes which are uncertificated units of a security in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**").

Uncertificated Registered Notes will be credited to the subscribers' accounts with CREST on the issue date thereof upon certification as to non-U.S. beneficial ownership.

Uncertificated Registered Notes will not be exchangeable for Notes in definitive registered form.

Title to Uncertificated Registered Notes is recorded on the relevant Operator register of corporate securities.

Each person who is for the time being shown in the Record (as defined under "*Terms and Conditions of the Notes*") as the holder of a particular number of Uncertificated Registered Notes shall be treated by the Issuer, the CREST Registrar and the Trustee as the holder of such number of Uncertificated Registered Notes for all purposes (and the expressions "**Noteholder**" and "**holder of Uncertificated Registered Notes**" and related expressions shall be construed accordingly).

Further Tranches

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*") (in the case of Notes other than Uncertificated Registered Notes) or the Computershare Agency Agreement (in the case of Uncertificated Registered Notes), the Principal Paying Agent or the CREST Registrar (as the case may be) shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code (except in the case of Uncertificated Registered Notes) and ISIN number which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period applicable to the Notes of such Tranche.

Other provisions relating to Notes held in Euroclear and/or Clearstream, Luxembourg

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

In respect of any Notes in the form of a Global Note or a Registered Global Note Condition 4(h), "**Payment Day**" means either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne and Wellington, respectively) or (2) in relation to any sum payable in euro, a TARGET Settlement Day (as defined in Condition 4 (*Payments*).

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

PRO FORMA FINAL TERMS

[Notes issued pursuant to these Final Terms are securities to be listed under Listing Rule [17 / 19].]

[*Date*]

Investec Bank plc

**Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]
under the £4,000,000,000
Zebra Capital Plans Retail Structured Products Programme**

PART A – CONTRACTUAL TERMS

[This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the base prospectus in relation to the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme dated [•] August 2014, which [together with the supplemental prospectus[es] dated [•],[•] and [•]]] constitutes a base prospectus (the "**Base Prospectus**") for the purposes of Article 5(4) of the Prospectus Directive (Directive 2003/71/EC as amended by Directive 2008/11/EC, Directive 2010/73/EU and Directive 2008/78/EU) (the "**Prospectus Directive**").

Terms used herein shall be deemed to be defined as such for the purposes of the [terms and conditions set forth in the Base Prospectus][December 2013 Conditions incorporated into and defined in the Base Prospectus][December 2013 Conditions incorporated into and defined in the Base Prospectus].

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at and copies may be obtained from [www.investecstructuredproducts.com (please follow the link to [•])] and during normal working hours from Investec Bank plc, 2 Gresham Street, London EC2V 7QP, and from [[Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB]/[Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS13 8AE]]. A summary of the offer of the Notes is annexed to these Final Terms.]

[[*Alternative version for where a public offer period straddles two base prospectuses*]

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with (i) until but excluding [•] August 2015, the base prospectus in relation to the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**") dated [•] August 2014, which [together with the supplemental prospectus[es] dated [•],[•] and [•]]] constitutes a base prospectus (the "**2014 Base Prospectus**") for the purposes of Article 5(4) of the Prospectus Directive (Directive 2003/71/EC as amended by Directive 2008/11/EC, Directive 2010/73/EU and Directive 2008/78/EU) (the "**Prospectus Directive**") and (ii) from and including [•] August 2015, the base prospectus in relation to the Programme dated [•] August 2015, which together with any supplements thereto published before the issue date or listing date of the Notes constitutes a base prospectus (the "**2015 Base Prospectus**") for the purposes of Article 5(4) of the Prospectus Directive and replaces the 2014 Base Prospectus.

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions set forth in the 2014 Base Prospectus (together, the "**2014 Conditions**") and which are or will be incorporated by reference into the 2015 Base Prospectus.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and (i) in relation to the period until but excluding [•] August 2015, the 2014 Base Prospectus, and (ii) in relation to the period from and including [•] August 2015, the 2015 Base Prospectus. The 2014 Base Prospectus and the 2015 Base Prospectus are available from their respective dates of publication for viewing at and copies may be obtained from [www.investecstructuredproducts.com (please follow the link to [•])] and during normal working hours from Investec Bank plc, 2 Gresham Street, London EC2V 7QP, and from [[Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB]/[Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS13 8AE]]. A summary of the offer of the Notes is annexed to these Final Terms.]

1.	Issuer:	Investec Bank plc
2.	[(a)] Series Number:	[•]
	[(b)] Tranche Number:	[•]
		[The Notes issued under these Final Terms are to be consolidated and form a single series with [•] issued on [ ] [(ISIN: [•])]]
3.	Specified Currency or Currencies:	[•]
4.	Aggregate Nominal Amount:	
	[(a)] Series:	[•] [The aggregate nominal amount of the Notes issued will be notified and published on or about the Issue Date]
	[(b)] Tranche:	[•] [The aggregate nominal amount of the Notes issued will be notified and published on or about the Issue Date]
5.	Issue Price:	[•] per cent. of the Aggregate Nominal Amount
6.	(a) Specified Denominations:	[•]
	(b) Calculation Amount:	[•]
7.	Issue Date:	[•]
8.	Maturity Date:	[•]
9.	Redemption/Payment Basis:	[Final Redemption Amount linked to value of Preference Shares in accordance with Condition 5 (*Redemption and Purchase*)] [Instalment]
10.	Call Option:	[Applicable/Not Applicable]
11.	(a) Security Status:	[Unsecured Notes] [Secured Notes. The Issuer has designated the Notes as covered bonds]
	(b) Secured Portion:	[•] per cent. of the Notes
	(c) Date [Board] approval for issuance of Notes Obtained:	[•] [Not Applicable]

PROVISIONS RELATING TO REDEMPTION

12.	Issuer Call:	[Applicable/Not Applicable]
	(a) Optional Redemption Date(s):	[•]

	(b) Notice period:	[Condition 5(d) applies] [No less than [•] nor more than [•] days' notice]
13.	(a) Final Redemption Amount of each Note:	Final Redemption Amount linked to value of Preference Shares in accordance with Condition 5 (*Redemption and Purchase*)
	(b) Classes of Preference Shares to which this Series of Notes are linked and their respective Preference Share Weightings:	

Class	**Preference Share Weighting**	**Issue Price**
Class [20[•] - [•]]	[•]%	[•] [% of the Aggregate Nominal Amount]
[Class [20[•] - [•]]	[•]%	[% of the Aggregate Nominal Amount]
Class [20[•] - [•]]	[•]%	[% of the Aggregate Nominal Amount]
Class [20[•] - [•]]	[•]%	[% of the Aggregate Nominal Amount]
Class [20[•] - [•]]	[•]%	[% of the Aggregate Nominal Amount]]

(c) Upside Notes with Capital at Risk Terms	[Applicable/Not Applicable]
• [Return Threshold:]	[[•] per cent. of the [Initial Index Level] [Initial Share Price]]
• [Digital Return:]	[[•] per cent. / Not Applicable]
• [Upside Return:]	[Applicable/Not Applicable]
• [Cap:]	[[•] per cent. / Not Applicable]
• [Gearing 1:]	[[•] per cent. / Not Applicable]
• [Downside Return 1:]	[Applicable/Not Applicable]
• [Downside Return 2:]	[Applicable/Not Applicable]
• [Gearing 2:]	[[•] per cent. / Not Applicable]
• [Lower Strike:]	[[•] per cent.]
• [Upper Strike:]	[[•] per cent.]
(d) Upside Plus Notes with Capital at Risk Terms	[Applicable/Not Applicable]

•	[Return Threshold:]	[[•] per cent. of the [Initial Index Level] [Initial Share Price]]
•	[Digital Return:]	[[•] per cent.]
•	[Upside Return Threshold:]	[[•] per cent. of the [Initial Index Level] [Initial Share Price]]
•	[Cap:]	[[•] per cent. / Not Applicable]
•	[Gearing 1:]	[[•] per cent. / Not Applicable]
•	[Downside Return 1:]	[Applicable/Not Applicable]
•	[Downside Return 2:]	[Applicable/Not Applicable]
•	[Gearing 2:]	[[•] per cent. / Not Applicable]
•	[Lower Strike:]	[[•] per cent.]
•	[Upper Strike:]	[[•] per cent.]

(e) Kick Out Upside Plus Notes with Capital at Risk Terms — [Applicable/Not Applicable]

•	[Return Threshold:]	[[•] per cent. of the [Initial Index Level] [Initial Share Price]]
•	[Digital Return:]	[[•] per cent.]
•	[Upside Return:]	[Applicable/Not Applicable]
•	[Upside Return Threshold:]	[[•] per cent. of the [Initial Index Level] [Initial Share Price] [Not Applicable]]
•	[Cap:]	[[•] per cent. / Not Applicable]
•	[Gearing 1:]	[[•] per cent. / Not Applicable]
•	[Downside Return 1:]	[Applicable/Not Applicable]
•	[Downside Return 2:]	[Applicable/Not Applicable]
•	[Gearing 2:]	[[•] per cent. / Not Applicable]
•	[Lower Strike:]	[[•] per cent.]
•	[Upper Strike:]	[[•] per cent.]

(f) Kick Out Notes with Capital at Risk Terms — [Applicable/Not Applicable]

•	[Return Threshold:]	[[•] per cent. of the [Initial Index Level] [Initial Share Price]]
•	[Digital Return:]	[[•] per cent. / Not Applicable]

• [Upside Return:]	[Applicable / Not Applicable]
• [Cap:]	[[•] per cent. / Not Applicable]
• [Gearing:]	[[•] per cent. / Not Applicable]
(g) Multi Equity Kick Out Notes with Capital at Risk Terms:	[Applicable/Not Applicable]
• [Worst Performing [Index] [Share:]]	[on any day, or in respect of any period, and in respect of two or more Indices, the Index for which the Final Index Level *divided by* Initial Index Level is the lowest (and the Final Index Level and Initial Index Level of such Index being "FIL_{WP}" and "IIL_{WP}" respectively)] [on any day, or in respect of any period, and in respect of two or more Shares, the Share for which the Final Share Price divided by the Initial Share Price is the lowest (and the Final Share Price and the Initial Share Price of such Share being "Final Share Price_{wp}" and "Initial Share Price_{wp}" respectively)]
• [Return Threshold:]	[[•] per cent. of the [Initial Index Level of the Worst Performing Index] Initial Share Price of the Worst Performing Share]
• [Digital Return:]	[[•] per cent.]
(h) N Barrier Equity Linked Notes (Accumulation) with Capital at Risk Terms	[Applicable/Not Applicable]
• [Return Threshold:]	[[•] per cent. of the [Initial Index Level] [Initial Share Price]]
• [Digital Return:]	[[•] per cent.]
• [Bonus Return:]	[For all Bonus Periods, [•]] [Not Applicable]
• [Bonus:]	

Bonus Period (t)	**Bonus Level (as a percentage of the [Initial Index Level] [Initial Share Price])**	**Bonus Start Date**	**Bonus End Date**
1	[•]	[•]	[•]
[2	[•]	[•]	[•]
3	[•]	[•]	[•]
4	[•]	[•]	[•]
5	[•]	[•]	[•]
i	[•]	[•]	[•]]

• [Bonus Averaging:]	[Applicable / Not Applicable]

Bonus Period (t)	Bonus Averaging Dates	Bonus Averaging Start Date	Bonus Averaging End Date
1	[[•]/Bonus Period Applies]	[[•] / Not Applicable]	[[•] / Not Applicable]
[2	[[•]/Bonus Period Applies]	[[•] / Not Applicable]	[[•] / Not Applicable]
3	[[•]/Bonus Period Applies]	[[•] / Not Applicable]	[[•] / Not Applicable]
4	[[•]/Bonus Period Applies]	[[•] / Not Applicable]	[[•] / Not Applicable]
5	[[•]/Bonus Period Applies]	[[•] / Not Applicable]	[[•] / Not Applicable]
i	[[•]/Bonus Period Applies]	[[•] / Not Applicable]	[[•] / Not Applicable]]

(i) Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk Terms — [Applicable/Not Applicable]

- [Return Threshold:] — [[•] of the [Initial Index Level] [Initial Share Price]]
- [Digital Return:] — [[•] per cent.]
- [Bonus:]

Range Accrual Period (t)	Bonus Return	Range Accrual Start Date	Range Accrual End Date	Range Upper Level	Range Lower Level
1	[[•]/Not Applicable]	[•]	[•]	[•]	[•]
[2	[[•]/Not Applicable]	[•]	[•]	[•]	[•]
3	[[•]/Not Applicable]	[•]	[•]	[•]	[•]
4	[[•]/Not Applicable]	[•]	[•]	[•]	[•]
5	[[•]/Not Applicable]	[•]	[•]	[•]	[•]
i	[[•]/Not Applicable]	[•]	[•]	[•]	[•]]

INDEX LINKED PROVISIONS — [Applicable/Not Applicable]

14. Single Index — [Applicable/Not Applicable]

(a) Additional Disruption — [Hedging Disruption] [and] [Increased Cost of

Events:	Hedging]
(b) Automatic Early Redemption:	[Applicable/ Not Applicable]

• [Automatic Early Redemption Event:]

[Automatic Early Redemption Valuation Date] [Observation Period]	**Automatic Early Redemption Date**	**Automatic Early Redemption Amount**	**Automatic Early Redemption Level**
[•]	[•] [5 Business Days following the occurrence of an Automatic Early Redemption Event]	[•] per cent. of Issue Price	[•] per cent. of Initial Index Level
[[•]	[•] [5 Business Days following the occurrence of an Automatic Early Redemption Event]	[•] per cent. of Issue Price	[•] per cent. of Initial Index Level
[•]	[•] [5 Business Days following the occurrence of an Automatic Early Redemption Event]	[•] per cent. of Issue Price	[•] per cent. of Initial Index Level]

• [Automatic Early Redemption Averaging:] [Applicable/ Not Applicable]

Automatic Early Redemption Valuation Date	**Automatic Early Redemption Averaging Dates**	**Automatic Early Redemption Averaging Start Date**	**Automatic Early Redemption Averaging End Date**
[•]	[•] [Automatic Early Redemption Valuation Date] [Automatic Early Redemption Period Applies]	[[•]/Not Applicable] [the [•] Scheduled Trading Day prior to the Automatic Early Redemption Averaging End Date]	[[•]/Not Applicable]
[[•]	[•] [Automatic Early Redemption Valuation Date] [Automatic Early Redemption	[[•]/Not Applicable] [the [•] Scheduled Trading Day prior to the Automatic Early	[[•]/Not Applicable]

	Period Applies]	Redemption Averaging End Date]	
[•]	[•] [Automatic Early Redemption Valuation Date] [Automatic Early Redemption Period Applies]	[[•]/Not Applicable] [the [•] Scheduled Trading Day prior to the Automatic Early Redemption Averaging End Date]	[[•]/Not Applicable]]

- Observation Date(s): [•] [Not Applicable]
- Observation Period: [•] [Not Applicable]

(c) Kick Out Upside Return: [Applicable/Not Applicable]

Automatic Early Redemption Valuation Date	**Kick Out Upside Return**	**Kick Out Upside Return Threshold**	**Kick Out Gearing**	**Kick Out Cap**
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Index Level/ Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Index Level/ Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Index Level/ Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]

(d) Final Redemption Date: [•]

(e) Final Redemption Valuation Date: [•] [Not Applicable]

(f) Final Averaging: [Applicable/ Not Applicable]

- [Final Averaging Dates:] [[•] / Final Averaging Period applies]
- [Final Averaging Start Date:] [•]
- [Final Averaging End Date:] [•] [Final Redemption Valuation Date]

(g) Trigger Event: [Applicable] [Not Applicable]

(h) Barrier: [Applicable/ Not Applicable]

- [Barrier:] [[•] per cent. of Initial Index Level]
- [Barrier Start Date:] [•]

	• [Barrier End Date:]	[•]
	• [Barrier Observation:]	[At any given time] [As of the Valuation Time] [As of the official close of business] [on any Exchange Business Day in the Barrier Period] [As of the Valuation Time on [•]] [Barrier Condition Averaging Period applies]
	• [Barrier Condition Averaging:]	[Applicable/Not Applicable]
	• [Barrier Condition Averaging Dates]	[•]
	• [Barrier Condition Averaging Start Date:]	[•]
	• [Barrier Condition Averaging End Date:]	[•]
(i)	Strike Date:	[•] [Not Applicable]
(j)	Strike Level:	[•] [Not Applicable]
(k)	Best Strike:	[Applicable/ Not Applicable]
	• [Strike Start Date:]	[•]
	• [Strike End Date:]	[•]
(l)	Initial Averaging:	[Applicable/ Not Applicable]
	• [Initial Averaging Dates:]	[[•] / Initial Averaging Period applies]
	• [Initial Averaging Start Date:]	[•]
	• [Initial Averaging End Date:]	[•]
(m)	Business Day:	[a day on which [(i)] commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [•] [and (ii) which is a Target Settlement Day]]
(n)	Valuation Time:	[•] [Not Applicable]
(o)	Constant Monitoring:	[Applicable] [Not Applicable]
(p)	Official Closing Level Only:	[Applicable] [Not Applicable]
(q)	Averaging Dates Market Disruption:	[Not Applicable] [Omission] [Postponement] [Modified Postponement] [Preceding]

(r)	Exchange(s):	[•]
(s)	Index:	[•]
(t)	Index Sponsor:	[•]
(u)	Multi-Exchange Index:	[Yes/No]
(v)	Non Multi-Exchange Index:	[Yes/No]

15. Basket of Indices [Applicable/Not Applicable]

(a) Additional Disruption Events: [Hedging Disruption] [and] [Increased Cost of Hedging]

(b) Automatic Early Redemption: [Applicable/ Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of the Automatic Early Redemption Valuation Date.]

- [Automatic Early Redemption Event:]

Automatic Early Redemption Valuation Date	**Automatic Early Redemption Date**	**Automatic Early Redemption Amount**	**Automatic Early Redemption Level**
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Index Level
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Index Level
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Index Level]

- [Automatic Early Redemption Averaging:] [Applicable/ Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of Automatic Early Redemption Averaging.]

- [Automatic Early Redemption Averaging Dates:] [Not Applicable/Automatic Early Redemption Averaging Period Applies/

Automatic Early Redemption Valuation Date	**Automatic Early Redemption Averaging Dates**
[•]	[•], [•] and [•]
[[•]	[•], [•] and [•]
[•]	[•], [•] and [•]

- [Automatic Early Redemption Averaging Period:] [Applicable/ Not Applicable]

Automatic Early Redemption	**Automatic Early Redemption Averaging Period**

Valuation Date	
[•]	[Each date from and including [•] (the "**Automatic Early Redemption Averaging Start Date**") and to and including [•](the "**Automatic Early Redemption Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Index].]
[•]	[Each date from and including [•] (the "**Automatic Early Redemption Averaging Start Date**") and to and including [•](the "**Automatic Early Redemption Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Index].]
[•]	[Each date from and including [•] (the "**Automatic Early Redemption Averaging Start Date**") and to and including [•](the "**Automatic Early Redemption Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Index].]

- Observation Date(s): [[•] / Not Applicable]
- Observation Period: [[•] / Not Applicable]

(c) Kick Out Upside Return: [Applicable/Not Applicable]

[Automatic Early Redemption Valuation Date]	**Kick Out Upside Return**	**Kick Out Upside Return Threshold**	**Kick Out Gearing**	**Kick Out Cap**
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Index Level/ Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Index Level/ Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Index Level/ Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]

(d) Final Redemption Date: [•]

(e) Final Redemption Valuation Date: [•] [Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of the Final

		Redemption Valuation Date.]
(f)	Final Averaging:	[Applicable/ Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of Final Averaging.]
	• [Final Averaging Dates:]	[[•] / Final Averaging Period applies]
	• [Final Averaging Period:]	[Not Applicable] [Each date from and including [•] (the "**Final Averaging Start Date**") and to and including [•] (the **"Final Averaging End Date"**)] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Index].]
(g)	Trigger Event:	[Applicable] [Not Applicable]
(h)	Barrier:	[Applicable/ Not Applicable]
	• [Barrier:]	[the relevant percentage of the Initial Index Level set out for the relevant Index in the table below]
	• [[Barrier Start Date:]	[•]
	• [Barrier End Date:]	[•]
	• [Barrier Observation:]	[At any given time] [As of the Valuation Time] [As of the official close of business] [on any Exchange Business Day in the Barrier Period] [As of the Valuation Time on [•]] [Barrier Condition Averaging Period applies]]
	• [[Barrier Condition Averaging:]	[Applicable/Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of Barrier Condition Averaging.]
	• [Barrier Condition Averaging Period:]	[•] [Each date from and including [•] (the "**Barrier Condition Averaging Start Date**") and to and including [•] (the "**Barrier Condition Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Index].]
	• [Barrier Condition Averaging Dates]	[•] [Barrier Condition Averaging Period applies]]
(i)	Basket:	

Index	**Exchange**	**Weighting**	**Barrier (per cent. of Initial Index Level)**

(j)	Strike Date:	[•] [Not Applicable]
(k)	Strike Level:	[•] [Not Applicable]

	(l)	Best Strike:	[Applicable/ Not Applicable]
		• [Strike Start Date:]	[•]
		• [Strike End Date:]	[•]
	(m)	Initial Averaging:	[Applicable/ Not Applicable]
		• [Initial Averaging Dates:]	[[•] / Initial Averaging Period applies]
		• [Initial Averaging Start Date:]	[•]
		• [Initial Averaging End Date:]	[•]
	(n)	Business Day:	[a day on which [(i)] commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [•] [and (ii) which is a Target Settlement Day]
	(o)	Valuation Time:	[•] [Not Applicable]
	(p)	Constant Monitoring:	[Applicable] [Not Applicable]
	(q)	Official Closing Level Only:	[Applicable] [Not Applicable]
	(r)	Averaging Dates Market Disruption:	[Omission] [Omission 2] [Postponement] [Postponement 2] [Modified Postponement] [Modified Postponement 2] [Preceding] [Preceding 2]
	(s)	Exchange(s):	[•]
	(t)	Index Sponsors:	[•]
	(u)	Multi-Exchange Index:	[Yes/No]
	(v)	Non Multi-Exchange Index:	[Yes/No]
SHARE LINKED PROVISIONS			[Applicable/Not Applicable]
16.	Single share		[Applicable/Not Applicable]
	(a)	Additional Disruption Events:	[Change in Law] [Insolvency Filing] [Hedging Disruption] [Increased Cost of Hedging]
	(b)	Automatic Early Redemption:	[Applicable/Not Applicable]
		• [Automatic Early Redemption Event:]	

Automatic Early Redemption Valuation Date	**Automatic Early Redemption Date**	**Automatic Early Redemption Amount**	**Automatic Early Redemption Price**
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Share

			Price
[[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Share Price
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Share Price]

- [Automatic Early Redemption Averaging:] [Applicable/ Not Applicable]

Automatic Early Redemption Valuation Date	**Automatic Early Redemption Averaging Dates**	**Automatic Early Redemption Averaging Start Date**	**Automatic Early Redemption Averaging End Date**
[•]	[•] [Automatic Early Redemption Valuation Date] [Automatic Early Redemption Period Applies]	[[•]/Not Applicable] [the [•] Scheduled Trading Day prior to the Automatic Early Redemption Averaging End Date]	[[•]/Not Applicable]
[[•]	[•] [Automatic Early Redemption Valuation Date] [Automatic Early Redemption Period Applies]	[[•]/Not Applicable] [the [•] Scheduled Trading Day prior to the Automatic Early Redemption Averaging End Date]	[[•]/Not Applicable]
[•]	[•] [Automatic Early Redemption Valuation Date] [Automatic Early Redemption Period Applies]	[[•]/Not Applicable] [the [•] Scheduled Trading Day prior to the Automatic Early Redemption Averaging End Date]	[[•]/Not Applicable]]

- Observation Date(s): [[•] / Not Applicable]

- Observation Period: [[•] / Not Applicable]

(c) Kick Out Upside Return: [Applicable / Not Applicable]

[Automatic Early Redemption Valuation Date]	**Kick Out Upside Return**	**Kick Out Upside Return Threshold**	**Kick Out Gearing**	**Kick Out Cap**
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Share Price/	[[•] per cent. / Not	[[•] per cent. / Not

		Not Applicable]	Applicable]	Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Share Price / Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Share Price / Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]

(d) Final Redemption Date: [•]

(e) Final Redemption Valuation Date: [•] [Not Applicable]

(f) Final Averaging: [Applicable/ Not Applicable]

- [Final Averaging Dates:] [[•] / Averaging Period applies]
- [Final Averaging Start Date:] [•]
- [Final Averaging End Date:] [•] [Final Redemption Valuation Date]

(g) Trigger Event: [Applicable] [Not Applicable]

(h) Barrier: [Applicable/ Not Applicable]

- [Barrier:] [[•] per cent. of Initial Share Price]
- [Barrier Start Date:] [•]
- [Barrier End Date:] [•]
- [Barrier Observation:] [At any given time] [As of the Valuation Time] [As of the official close of business] [on any Exchange Business Day in the Barrier Period] [As of the Valuation Time on [•]] [Barrier Condition Averaging Period applies]
- [Barrier Condition Averaging:] [Applicable/Not Applicable]
- [Barrier Condition Averaging Start Date:] [•]
- [Barrier Condition Averaging End Date:] [•]

(i) Strike Date: [•] [Not Applicable]

(j) Strike Price: [•] [Not Applicable]

(k) Best Strike: [Applicable/ Not Applicable]

		• [Strike Start Date:]	[•]
		• [Strike End Date:]	[•]
	(l)	Initial Averaging:	[Applicable/ Not Applicable]
		• [Initial Averaging Dates:]	[[•] / Initial Averaging Period applies]
		• [Initial Averaging Start Date:]	[•]
		• [Initial Averaging End Date:]	[•]
	(m)	Business Day:	[a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [•] [and (ii) which is a Target Settlement Day]
	(n)	Valuation Time:	[•] [Not Applicable]
	(o)	Constant Monitoring:	[Applicable] [Not Applicable]
	(p)	Valuation Time Only:	[Applicable] [Not Applicable]
	(q)	Averaging Date Market Disruption:	[Omission] [Postponement] [Modified Postponement] [Preceding]
	(r)	Exchange:	[•]
	(s)	Share Currency:	[•]
	(t)	Share Issuer(s):	[•]
	(u)	Shares:	[•] issued by the Share Issuer (ISIN: [•]).
17.		Basket of Shares	[Applicable/Not Applicable]
	(a)	Additional Disruption Events:	[Change in Law] [Insolvency Filing] [Hedging Disruption] [Increased Cost of Hedging]
	(b)	Automatic Early Redemption:	[Applicable/ Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of the Automatic Early Redemption Valuation Date.]
		• [Automatic Early Redemption Event:]	

Automatic Early Redemption Valuation Date	**Automatic Early Redemption Date**	**Automatic Early Redemption Amount**	**Automatic Early Redemption Price**
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Share Price
[[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Share Price
[•]	[•]	[•] per cent. of Issue Price	[•] per cent. of Initial Share Price]

- [Automatic Early Redemption Averaging:] [Applicable/ Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of Automatic Early Redemption Averaging.]
- [Automatic Early Redemption Averaging Dates:] [Not Applicable/Automatic Early Redemption Averaging Period Applies/

Automatic Early Redemption Valuation Date	**Automatic Early Redemption Averaging Dates**
[•]	[•], [•] and [•]
[[•]	[•], [•] and [•]
[•]	[•], [•] and [•]

- [Automatic Early Redemption Averaging Period:] [Applicable/ Not Applicable]

Automatic Early Redemption Valuation Date	Automatic Early Redemption Averaging Period
[•]	[Each date from and including [•] (the "**Automatic Early Redemption Averaging Start Date**") and to and including [•](the "**Automatic Early Redemption Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Share].]
[•]	[Each date from and including [•] (the "**Automatic Early Redemption Averaging Start Date**") and to and including [•](the "**Automatic Early Redemption Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Share].]
[•]	[Each date from and including [•] (the "**Automatic Early Redemption Averaging Start Date**") and to and including [•](the "**Automatic Early Redemption Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in respect of each Share].]

- Observation Date(s): [[•] / Not Applicable]
- Observation Period: [[•] / Not Applicable]

(c) Kick Out Upside Return: [Applicable / Not Applicable]

Automatic Early Redemption Valuation Date	**Kick Out Upside Return**	**Kick Out Upside Return Threshold**	**Kick Out Gearing**	**Kick Out Cap**

[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Share Price / Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Share Price / Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]
[•]	[Applicable/Not Applicable]	[[•] per cent. of Initial Share Price / Not Applicable]	[[•] per cent. / Not Applicable]	[[•] per cent. / Not Applicable]

(d) Final Redemption Date: [•]

(e) Final Redemption Valuation Date: [•] [Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of the Final Redemption Valuation Date.]

(f) Final Averaging: [Applicable/ Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of Final Averaging.]

- [Final Averaging Dates:] [[•] / Final Averaging Period applies]
- [Final Averaging Period:] [Not Applicable] [Each date from and including [•] (the "**Final Averaging Start Date**") and to and including [•] (the "**Final Averaging End Date**")] [•] and the [•] Scheduled Trading Days prior to the [•] which are Scheduled Trading Days in respect of each Share.]

(g) Trigger Event: [Applicable] [Not Applicable]

(h) Barrier: [Applicable/ Not applicable]

- [Barrier:] [the relevant percentage of the Initial Share Price set out for the relevant Share in the table below]
- [[Barrier Start Date:] [•]
- [Barrier End Date:] [•]
- [Barrier Observation:] [At any given time] [As of the Valuation Time] [As of the official close of business] [on any Exchange Business Day in the Barrier Period] [As of the Valuation Time on [•]] [Barrier Condition Averaging Period applies]]
- [[Barrier Condition Averaging:] [Applicable/Not Applicable] [Additional Scheduled Trading Day Provisions are applicable in respect of Barrier Condition Averaging.]
- [Barrier Condition Averaging Period:] [•] [Each date from and including [•] (the "**Barrier Condition Averaging Start Date**") and to and including [•] (the "**Barrier Condition Averaging End Date**")] [[•] and the [•] Scheduled Trading Days prior to [•] [which are Scheduled Trading Days in

respect of each Share].]

- [Barrier Condition Averaging Dates] [•] [Barrier Condition Averaging Period applies]]

(i) Basket:

Share Issuer	**Name and short description of Shares (including ISIN Number)**	**Exchange**	**Weighting**	**Barrier (per cent. of the Initial Share Price)**

(j) Strike Date: [•] [Not Applicable]

(k) Strike Price: [•] [Not Applicable]

(l) Best Strike: [Applicable/ Not Applicable]

- [Strike Start Date:] [•]
- [Strike End Date:] [•]

(m) Initial Averaging: [Applicable/ Not Applicable]

- [Initial Averaging Dates:] [[•] / Initial Averaging Period applies]
- [Initial Averaging Start Date:] [•]
- [Initial Averaging End Date:] [•]

(n) Business Day: [a day on which [(i)] commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [•] [and (ii) which is a Target Settlement Day]

(o) Valuation Time: [•] [Not Applicable]

(p) Constant Monitoring: [Applicable] [Not Applicable]

(q) Valuation Time Only: [Applicable] [Not Applicable]

(r) Exchange: [•]

(s) Official Closing Level: [Applicable] [Not Applicable]

(t) Averaging Date Market Disruption: [Omission] [Omission 2] [Postponement] [Postponement 2] [Modified Postponement] [Modified Postponement 2] [Preceding] [Preceding 2]

(u) Share Currency: [•]

18.	**CREDIT LINKED PROVISIONS**	[Applicable/Not Applicable]
	Total proportion of Note linked to Credit Linked Preference Shares:	[[100] [•] per cent. of the Note] [the Secured Portion (as described in Paragraph [32(a)] above)] [Not Applicable]
	Credit Linked Preference Shares	

	Class of Preference Shares	**Reference Entity**	**Further information regarding the Reference Entity**
Reference Entity:			
	Class [20[•] - [•]]	[•]	[•]
	[Class [20[•] - [•]]	[•]	[•]
	Class [20[•] - [•]]	[•]	[•]
	Class [20[•] - [•]]	[•]	[•]
	Class [20[•] - [•]]	[•]	[•]]

Recovery Rate:	[General Recovery Rate]/[Zero Recovery Rate] shall apply.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

19.	Form of Notes:	[Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]] [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date] [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]] [Registered Notes: Registered Global Note ([•] nominal amount)] [Uncertificated Registered Notes]
20.	Additional Financial Centre(s):	[•] [Not Applicable]
21.	Details relating to Instalment Notes:	
	(a) Instalment Amount(s):	[•] [Not Applicable]
	(b) Instalment Date(s):	[•] [Not Applicable]

DISTRIBUTION

22.	(a) If syndicated, names of Managers:	[•] [Not Applicable]

	[(b)] Date of [Subscription] Agreement:	[•]	
23.	If non-syndicated, name [and address] of relevant Dealer:	[•] [Applicable/Not Applicable]	
24.	U.S. Selling Restrictions:	[Reg. S Compliance Category: [2]]; [TEFRA D] [TEFRA C] [TEFRA Not Applicable]	

TAXATION

25.	Taxation:	[Condition 7A (*Taxation - No Gross up*) applies] [Condition 7A will apply for all issues of Notes unless specified otherwise] [Condition 7B (*Taxation - Gross Up*) applies]	

SECURITY PROVISIONS

26.	Security Provisions:	[Applicable/Not Applicable]	
	(a) Secured Portion:	[•] per cent. of the Notes	
	(a) Whether Collateral Pool secures this Series of Notes only or this Series and other Series:	[This Series only] [This Series and other Series]	
	(b) Date of Supplemental Trust Deed relating to the Collateral Pool securing the Notes and Series Number of first Series of Covered Notes secured thereby:	Supplemental Trust Deed dated [•] securing [this Series only/Series Number [•] among others]	
	(c) Eligible Collateral:	**Valuation Percentage**	**Maximum Percentage**
	(A) Cash in an Eligible Currency	[•]%	[•]%
	(B) Negotiable debt obligations issued by the government of [•] having an original maturity at issuance of not more than one year	[•]%	[•]%
	(C) Negotiable debt obligations issued by the government of [•] having an original maturity at issuance of more than one year but not more than 10 years	[•]%	[•]%

(D) Negotiable debt obligations issued by the government of [•] having an original maturity at issuance of more than 10 years	[•]%	[•]%
(E) [Negotiable senior debt obligations issued or guaranteed by [any of the following entities/entity] / [the following entity]:		
Name of Entity	**Valuation Percentage**	**Maximum Percentage**
[•]	[•]%	[•]%
[•]	[•]%	[•]%
[•]	[•]%	[•]%
[•]	[•]%	[•]%
[•]	[•]%	[•]%]
(d) Valuation Dates:	[•] [Not Applicable]	
(e) Eligible Currency:	[•]	
(f) Minimum Transfer Amount:	[•]	
(g) Independent Amount:	[•]	

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[•] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: By:

Duly authorised *Duly authorised*

PART B – OTHER INFORMATION

1. **LISTING**

(i)	Listing:	[Official List of the FCA/None]
(ii)	Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange plc with effect from [ ].] [Not Applicable.]

2. **RATINGS**

Ratings:	[The Notes to be issued have been rated:
	[Standard & Poor's: [ ]]
	[Moody's*: [ ]]
	[Fitch*: [ ]]
	[The Notes to be issued have not been rated.]

3. [**INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**]

[Save as discussed in the ["Subscription and Sale"] section of the Base Prospectus, relating to the Issuer's agreement to reimburse the Dealers to certain of their expenses in connection with the update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i)]	Reasons for the offer:	[ ] [Information not required]
[(ii)]	Estimated net proceeds:	[ ] [Information not required]
[(iii)]	Estimated total expenses:	[ ] [Information not required]

5. **PERFORMANCE AND VOLATILITY OF THE UNDERLYING AND OTHER INFORMATION CONCERNING THE UNDERLYING**

[Information about the past and the further performance of the underlying and its volatility can be found [•]]

The Issuer [intends to provide post-issuance information [•] [does not intend to provide post-issuance information].

6. **OPERATIONAL INFORMATION**

(i)	ISIN Code:	[•]
		[Not Applicable]

(ii) SEDOL Code:	[•] [Not Applicable]
(iii) Common Code:	[•] [Not Applicable]
(iv) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	[•][The Notes will be Uncertificated Registered Notes held in CREST.] [Not Applicable]
(v) Delivery:	[Delivery against payment] [Delivery free of payment]
(vi) Additional Paying Agent(s) (if any):	[•][Not Applicable]
(vii) Common Depositary:	[•][Not Applicable]
(Viii) Calculation Agent:	[•]
— is Calculation Agent to make calculations?	[Yes] [No]
— if not, identify calculation agent:	[•][Not Applicable]

7. **TERMS AND CONDITIONS OF THE OFFER**

(i) Offer Price:	[Issue Price][[•] per cent. of the Issue Price]
(ii) Offer Period:	[•]
(iii) Conditions to which the offer is subject:	[•]
(iv) Description of the application process:	[•]
(v) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[•]
(vi) Details of the minimum and/or maximum amount of application:	[•]
(vii) Details of the method and time limits for paying up and delivering the Notes:	[•]
(viii) Manner in and date on which results of the offer are to be made public:	[•]

(ix) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[•]
(x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[•]
(xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[•]
(xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	[•]

ADDITIONAL PROVISIONS NOT REQUIRED BY THE SECURITIES NOTE RELATING TO THE UNDERLYING

Statements regarding the Reference Entity:	[Applicable – [name of Reference Entity]/[Not Applicable]
	[ ]
Index Disclaimers (for Preference Shares linked to an Index or Basket of Indices):	[Applicable/Not Applicable]
	[ ]
Statements Regarding the FTSE 100 Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the S&P 500 Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the Euro Stoxx Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the MSCI Emerging Market Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the HSCEI Emerging Market Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the DAX Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the S&P ASX 200 (AS51) Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the CAC 40 Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the Nikkei Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the JSE Top40 Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the Finvex Sustainable Efficient Europe 30 Price Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the Finvex Sustainable Efficient World 30 Price Index:	[Applicable/Not Applicable]
	[ ]

Statements regarding the BNP Paribas SLI Enhanced Absolute Return Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the NASDAQ Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the Dow Jones Industrial Average Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the IBEX 35 Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the FTSE MIB Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the AEX Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the OMX STKH30 Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the SMI Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the NIFTY Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the KOSPI 200 Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the EVEN 30™Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the EURO 70™ Low Volatility Index:	[Applicable/Not Applicable]
	[ ]
Statements regarding the [•] Index:	[Applicable/Not Applicable]
	[ ]

ANNEX

Summary

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of "Not Applicable".

[Insert Issue specific summary]

DESCRIPTION OF THE PREFERENCE SHARES

General

In respect of each Series of Notes, one or more preference shares (the "**Preference Shares**") will be issued by Zebra Capital II Limited (the "**Company**"), a special purpose vehicle incorporated under the laws of the Cayman Islands which is independent of the Issuer and whose business consists of, amongst other things, the issuance of Preference Shares. For the avoidance of doubt, the Notes are not backed by or secured on the Preference Shares and accordingly, only a nominal amount of the Preference Shares may be issued regardless of the principal amount of the applicable issuance of Notes by the Issuer. Each issuance of Preference Shares shall be designated as a specified class (a "**Class**"). The Final Redemption Amount of each Series of Notes will be linked to the percentage change in value of the relevant Class of Preference Shares as more fully set out in Condition 5(b) (*Redemption and Purchase – Redemption at maturity*). The redemption price of the Preference Shares (the "**Redemption Price**") will in turn be linked to the price or performance of a share, a basket of shares, an index, a basket of indices or another variable, as described in the Final Terms and as set out in a confirmation relating to the relevant Preference Shares (a "**Preference Share Confirmation**").

The terms and conditions of each Class of Preference Shares will be made up of three components:

(i) the general terms and conditions of the Memorandum and Articles of Association of the Company;

(ii) such additional terms and conditions as are specified in the relevant Preference Share Confirmation (and which will also be specified in the relevant Final Terms as applying to such Class of Preference Shares depending on whether such Preference Shares are Single Share Linked Shares, Basket Share Linked Shares, Single Index Linked Shares or Basket Index Linked Shares and, if applicable, Credit Linked Shares), and which additional terms and conditions are appended to the Memorandum and Articles of Association of the Company; and

(iii) a Preference Share Confirmation in respect of such Class of Preference Shares.

A summary of certain of the general terms and conditions of the Memorandum and Articles of Association of the Company is set out below. In addition, the additional terms and conditions based on the specific type of Preference Share issued (being any of Single Share Linked Shares, Basket Share Linked Shares, Single Index Linked Shares or Basket Index Linked Shares and, if applicable, Credit Linked Shares), together with additional provisions relating to the redemption amounts of the Preference Shares and associated definitions are set out in the next section of this Base Prospectus entitled "*Terms and Conditions of the Preference Shares*".

The Company has in addition issued ordinary shares for cash consideration. The subscription proceeds of the same, together with the subscription proceeds of the Preference Shares issued by it and certain fees chargeable by it in connection with its issuance of Preference Shares, are expected to cover all redemption amounts payable by it under the Preferences Shares. In addition, in order to cover any unexpected shortfalls in available cash required to meet its obligations under the Preference Shares and its obligations generally, the Company will have the benefit of an overdraft facility with Investec Bank plc.

Summary of the General Terms Relating To Preference Shares

The following is a summary description of certain rights attaching to the Preference Shares of each Class which are set out in full in, are subject to, and are qualified in their entirety by reference to, the Company's Memorandum and Articles of Association and, in relation to each Class of Preference Shares, the Preference Share Confirmation relating thereto (together, the "**Articles**").

The Company

The issuer of the Preference Shares is Zebra Capital II Limited, a special purpose vehicle with its registered office at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands.

Voting

The holder of a Preference Share shall not (in respect of such Preference Share) have the right to receive notice of, attend at or vote as a shareholder at any general meeting of the Company, but may vote at a separate Class meeting convened in accordance with the Articles.

Variation of Share Rights

The rights attached to any Class of Preference Shares (unless otherwise provided by the terms of issue of the Preference Shares of that Class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-quarters of the issued Preference Shares of that Class or with the sanction of a Special Resolution (as defined in the Articles) passed at a separate general meeting of the holders of the Preference Shares of that Class. For such purposes the Directors may treat all the Classes of Preference Shares as forming one class if they consider that all such Classes would be affected in the same way by the proposals under consideration but in any other case shall treat them as separate classes. The special rights attached to each Class of Preference Shares shall be deemed not to be varied by any adjustment made to the terms and conditions of such Class pursuant to, or as contemplated by, the Preference Share Confirmation relating to such Class. No such variation shall entitle the holders of any Preference Shares to receive notice of, attend or vote as a shareholder at any general meeting of the Company.

Dividends

Preference Shares shall carry no right to receive dividends.

Tax Gross-Up

The Company shall make all payments to be made by it under the Preference Shares without any tax deduction, unless a tax deduction is required by law (including, for the avoidance of doubt, any deduction required to be made pursuant to the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental 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). If a tax deduction is required by law to be made by the Company, the amount of the relevant payment under the Preference Shares shall be increased to an amount which (after making any such tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.

Allotment and Issue of Preference Shares

The directors of the Company (the "**Directors**") may from time to time allot and issue Preference Shares of any Class with such designation, redemption provisions and/or other rights, privileges, limitations and restrictions as shall be set forth in a Preference Share Confirmation and approved by resolution of the Directors. The terms upon which, and the issue price per Share at which, issues of Preference Shares shall be effected and the time of each such issue shall be determined by the Directors.

On or before the allotment of any Preference Share, the Directors shall resolve the Class to which such Preference Share shall be designated. Each Class shall be specifically identified. The Directors may re-designate any Preference Share as part of another Class.

The Directors shall allot and issue Preference Shares of a particular Class at such issue price, on such issue date(s) and/or on such other terms and conditions as are set out in the Preference Share Confirmation relating to such Class.

Redemption of Preference Shares

Subject to the provisions of the Companies Law (2013 Revision) of the Cayman Islands and as provided in the Memorandum and Articles of Association of the Company and except as otherwise provided in the Preference Share Confirmation relating to a particular Class of Preference Shares, the Company shall on any Redemption Date of the relevant Class of Preference Shares, upon receipt by it or its duly authorised agent of the relevant share certificate or share certificates (if any such certificate(s) were issued and which requirement may be waived by the Directors), redeem such Preference Shares for an amount equal to the Redemption Price thereof determined in accordance with the Preference Share Confirmation relating to such Class of Preference Shares.

The redemption of Preference Shares of a particular Class shall take effect on such Business Days as the Directors may provide in the Preference Share Confirmation relating to such Class at the Redemption Price specified in, and as calculated in accordance with, such Preference Share Confirmation.

TERMS AND CONDITIONS OF THE PREFERENCE SHARES

The Preference Share Confirmations in respect of the Preference Shares may designate any Class of Preference Shares as being: Single Share Linked Shares, in which case the additional terms and conditions set out in the section entitled (1)(A) (*Additional Terms and Conditions of Preference Shares linked to a Single Share*) will apply; Basket Share Linked Shares, in which case the additional terms and conditions set out in the section entitled (1)(B) (*Additional Terms and Conditions of Preference Shares linked to a Basket of Shares*) will apply; Single Index Linked Shares, in which case the additional terms and conditions set out in the section entitled (2)(A) (*Additional Terms and Conditions of Preference Shares linked to a Single Index*) will apply; or Basket Index Linked Shares, in which case the additional terms and conditions set out in the section entitled (2)(B) (*Additional Terms and Conditions of Preference Shares linked to a Basket of Indices*) will apply.

As described above, a different set of additional terms and conditions will apply to Preference Shares depending on whether such Preference Share is linked to a share, an index, a basket of shares or a basket of indices (as specified in the relevant Preference Share Confirmation). Please note that certain terms are defined and used in several of the different sets of additional terms and conditions listed above and the definition provided in respect of such terms may vary between different sets of additional terms and conditions.

In addition, any Class of Preference Shares may be designated as Credit Linked Preference Shares (which may also be termed "**Credit Linked Shares**") in the Preference Share Confirmation, in which case the additional terms and conditions set out in the section entitled 3 (*Additional Terms and Conditions of Credit Linked Preference Shares*) (together with the additional terms and conditions set out in sections (1)(A), (1)(B), (2)(A) or (as the case may be) (2)(B), the "**Additional Terms and Conditions of Preference Shares**") will also apply.

The Preference Share Confirmation for each Class of Preference Shares will also specify which of the following provisions (the "**Preference Share Redemption Provisions**") relating to the calculation of the Redemption Price apply to such Class:

- Upside Notes with Capital at Risk Preference Share Redemption Provisions (specified on page 195);
- Upside Plus Notes with Capital at Risk Preference Share Redemption Provisions (specified on page 196);
- Kick Out Upside Plus Notes with Capital at Risk Preference Share Redemption Provisions (specified on page 198);
- Kick Out Notes with Capital at Risk Preference Share Redemption Provisions (specified on page 201);
- Multi Equity Kick Out Notes with Capital at Risk Preference Share Redemption Provisions (specified on page 202);
- N-Barrier Equity Linked Notes (Accumulation) with Capital at Risk Preference Share Redemption Provisions (specified on page 203); and
- Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk Preference Share Redemption Provisions (specified on page 204).

The Preference Share Redemption Provisions are set out below, together with the related definitions that are used therein.

In the event of any inconsistency between the Preference Share Redemption Provisions and the applicable Additional Terms and Conditions of the Preference Shares, the Preference Share Redemption Provisions will prevail.

(1) ***Preference Shares linked to a Single Share or a Basket of Shares***

(1)(A) ***Additional Terms and Conditions of Preference Shares linked to a Single Share***

The terms and conditions applicable to Preference Shares linked to a single share ("**Single Share Linked Shares**") shall be supplemented by the following additional terms and conditions.

1. **Definitions**

For the purposes of the terms and conditions of the Preference Shares, the following terms shall have the meanings set out below:

"**Additional Disruption Event**" means a Change in Law, an Insolvency Filing, a Hedging Disruption and/or an Increased Cost of Hedging, as specified in the relevant Preference Share Confirmation and as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Amount**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (a) an amount specified as such in the applicable Preference Share Confirmation or, if no such amount is specified, (b) an amount per Preference Share equal to the product of (i) the Issue Price and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date, all as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation, subject in each case to adjustment in accordance with paragraph 2 below.

"**Automatic Early Redemption Event**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (unless otherwise specified in the applicable Preference Share Confirmation) that the Price per Share is, as specified in the applicable Preference Share Confirmation, (i) "**greater than**", (ii) "**greater than or equal to**", (iii) "**less than**" or (iv) "**less than or equal to**" the Automatic Early Redemption Price, as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Price**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, the Price per Share specified as such or otherwise determined in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date and if "Automatic Early Redemption" is specified as being applicable in the Preference Share Confirmation, the rate specified as such in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Valuation Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with paragraph 2 below.

"**Change in Law**" means that on or after the Issue Date (or as otherwise set forth in the relevant Preference Share Confirmation) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Preference Share Calculation Agent determines that (X) it has become illegal for the Issuer and/or any of its affiliates to hold, acquire or dispose of the Shares, or (Y) the Issuer and/or any of its affiliates will incur a materially increased cost in holding, acquiring or disposing of the Shares and/or performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**De-listing**" means that the Exchange announces that pursuant to its rules the Shares have ceased (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and such Shares are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) and such Shares are no longer listed on an Exchange acceptable to the Preference Share Calculation Agent.

"**Disrupted Day**" means any Scheduled Trading Day on which (i) the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred, all as determined by the Preference Share Calculation Agent.

"**Early Closure**" means the closure on any Exchange Business Day of the Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange or such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange or such Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day, all as determined by the Preference Share Calculation Agent.

"**Exchange**" means the Exchange specified in the Preference Share Confirmation or otherwise the stock exchange on which the Shares are, in the determination of the Preference Share Calculation Agent, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Shares has temporarily been relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to such Shares on such successor or substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the Exchange or any such Related Exchange closing prior to its Scheduled Closing Time, as determined by the Preference Share Calculation Agent.

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

"**Extraordinary Dividend**" means, in respect of the Shares, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Preference Share Calculation Agent.

"**Final Share Price**" means the price of one Share in the Share Currency quoted on the Exchange at the Valuation Time on the Valuation Date or, if Final Averaging Dates are specified in the Preference Share Confirmation, the arithmetic mean of the prices of one Share at the Valuation Time on each Final Averaging Date (or such other definition, if any, as may be specified in the Preference Share Confirmation), as determined by the Preference Share Calculation Agent.

"**Hedging Disruption**" means that the Issuer and/or any of its affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk in respect of the Issuer performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

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

"**Initial Share Price**" means the price of one Share in the Share Currency quoted on the Exchange at the Valuation Time on the Strike Date (or such other definition, if any, as may be specified in the Preference Share Confirmation), as determined by the Preference Share Calculation Agent.

"**Insolvency**" means, in respect of the Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Share Issuer, (A) all the Shares of the Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of the Share Issuer become legally prohibited from transferring them, all as determined by the Preference Share Calculation Agent.

"**Insolvency Filing**" means that the Preference Share Calculation Agent determines that the Share Issuer has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition.

"**Issuer**" means Investec Bank plc, as issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme.

"**Market Disruption Event**" means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Preference Share Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, all as determined by the Preference Share Calculation Agent.

"**Merger Date**" means, in respect of a Merger Event, the closing date of such Merger Event or, where the Preference Share Calculation Agent determines that a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Preference Share Calculation Agent.

"**Merger Event**" means, in respect of the Shares, any (i) reclassification or change of the Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event (a "**Reverse Merger**"), in each case if the Merger Date is on or before the Valuation Date (or such other date as may be specified in the Preference Share Confirmation), all as determined by the Preference Share Calculation Agent.

"**Nationalisation**" means that all the Shares of the Share Issuer or all or substantially all the assets of the Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof, as determined by the Preference Share Calculation Agent.

"**New Shares**" means ordinary or common shares, whether of the entity or person (other than the Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date are promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member of state of the European Union) or on another exchange acceptable to the Preference Share Calculation Agent and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations, all as determined by the Preference Share Calculation Agent.

"**Notes**" means, in respect of any Class of Preference Share, the notes issued by the Issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme that are linked to such Class of Preference Shares.

"**Notional Hedge Termination Costs**" means, in respect of each Preference Share and as of an early redemption date, a portion of the fair market value of such Preference Share that is equal to the portion that (i) any costs, expenses, fees, or taxes incurred by the Issuer or any of its affiliates in respect of amending or liquidating any financial instruments or transactions entered into in connection with the Notes in respect of the early redemption of the Notes on such date would bear to (ii) the fair market value of such Notes on such early redemption date if no Notional Hedge Termination Costs were deducted from the fair market value of the Preference Shares, all as determined by the Preference Share Calculation Agent.

"**Observation Date**" means each date, if any, specified as such in the Preference Share Confirmation, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Observation Period**" has the meaning given to it in the Preference Share Confirmation.

"**Other Consideration**" means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the Share Issuer) involved in the Merger Event or a third party).

"**Potential Adjustment Event**" means any of the following: a subdivision, consolidation or reclassification of the Shares (unless resulting in a Merger Event), or a free distribution or dividend of any Shares to existing holders by way of bonus, capitalisation or similar issue; a distribution, issue or dividend to existing holders of the Shares of (A) Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of the Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Preference Share Calculation Agent; an Extraordinary Dividend; a call by the Share Issuer in respect of

Shares that are not fully paid; a repurchase by the Share Issuer or any of its subsidiaries of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; with respect to the Share Issuer, an event that results in any shareholder rights pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value (as determined by the Preference Share Calculation Agent) being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer (*provided that* any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or any other event that may have a diluting or concentrative effect on the theoretical value of the Shares, all as determined by the Preference Share Calculation Agent.

"**Preference Share Currency**" means the currency in which the relevant Preference Shares are denominated.

"**Price**" means, in respect of a Share, on any Exchange Business Day, the price of one such Share in the Share Currency quoted on the relevant Exchange (i) if "**Constant Monitoring**" is specified as being applicable in the Preference Share Confirmation, at any given time on such Exchange Business Day or (ii) if "**Valuation Time Only**" is specified as being applicable in the Preference Share Confirmation, at the Valuation Time on such Exchange Business Day, all as determined by the Preference Share Calculation Agent.

"**Related Exchange**" means each exchange or quotation system where trading has a material effect (as determined by the Preference Share Calculation Agent) on the overall market for futures or options contracts relating to the Shares, or such other options or futures exchange(s) as the Company shall (acting on the instructions of the Preference Share Calculation Agent) select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Shares has temporarily relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Shares on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

"**Scheduled Trading Day**" means any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions.

"**Share Currency**" has the meaning given to it in the Preference Share Confirmation.

"**Share Issuer**" has the meaning given to it in the Preference Share Confirmation.

"**Shares**" has the meaning given to it in the Preference Share Confirmation.

"**Strike Date**" means the date (if any) specified as such in the Preference Share Confirmation, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Strike Price**" means the price (if any) specified as such in the Preference Share Confirmation.

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

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in an amount determined by the Preference Share Calculation Agent are actually purchased or otherwise obtained (as determined by the Preference Share Calculation Agent).

"**Trading Disruption**" means any suspension of or limitation imposed on trading by the Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or such Related Exchange or otherwise (i) relating to the Shares on the Exchange or (ii) in futures or options contracts relating to the Shares on a Related Exchange, all as determined by the Preference Share Calculation Agent.

"**Valuation Date**" means the date (if any) specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Valuation Time**" means the time on the relevant Valuation Date or Averaging Date, as the case may be, specified in the relevant Preference Share Confirmation or, if no such time is specified, the Scheduled Closing Time on the Exchange on the relevant date. If the Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to paragraph 2 below) the Valuation Time shall be such actual closing time.

2. **Disrupted Days**

(i) If the Preference Share Calculation Agent determines that the Strike Date, any Valuation Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, in respect of the Shares is a Disrupted Day, then the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Preference Share Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, is a Disrupted Day. In that case:

(a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, in respect of the Shares, notwithstanding the fact that such day is a Disrupted Day; and

(b) the Preference Share Calculation Agent shall determine the price of one Share as its good faith estimate of the price of one Share that would have prevailed, but for the occurrence of a Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day.

(ii) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Preference Share Confirmation in relation to "Averaging Date Market Disruption" is:

(1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Final Share Price *provided that*, if through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date,

then sub-paragraph (i) above will apply for purposes of determining the relevant price on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(2) "**Postponement**", then sub-paragraph (i) above will apply for purposes of determining the relevant price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the Preference Shares; or

(3) "**Modified Postponement**", then:

(aa) the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the scheduled Averaging Date, then (1) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to the relevant Share; and (2) the Preference Share Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (i) above; and

(bb) "**Valid Date**" shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur.

(iii) Notwithstanding the provisions of any term or condition of the Preference Shares, if the Preference Share Calculation Agent determines that a Disrupted Day has occurred on the Valuation Date and/or on any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount (if such amount is payable) shall be postponed to the later of (i) the Final Redemption Date or (as the case may be) the Automatic Early Redemption Date and (ii) the date that is three Business Days (or such other period as specified in the Preference Share Confirmation) following the postponed Valuation Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount in accordance with this paragraph 2.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares (copied to the Company) of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Preference Shares.

3. **Adjustments**

(i) Adjustments

If the Preference Share Calculation Agent determines that a Potential Adjustment Event has occurred or that there has been an adjustment to the settlement terms of listed contracts on the Shares traded on a Related Exchange, the Preference Share Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment(s), if any, to any one or more of the Redemption Price and/or the

Strike Price and/or any of the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines appropriate to account for that diluting or concentrative effect (*provided that* no adjustments will be made to account solely for changes in volatility, expected dividend, stock loan rate or liquidity) and (b) determine the effective date(s) of the adjustment(s). The Preference Share Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the Shares traded on that options exchange.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such adjustment(s) and determinations to the Company and holders of the Preference Shares.

(ii) Consequences of a Merger Event

If the Preference Share Calculation Agent determines that a Merger Event has occurred, the Company shall (if so instructed by the Preference Share Calculation Agent) (i) redeem each Preference Share at its fair market value less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) as at the Merger Date on such date as the Company shall (acting on the instructions of the Preference Share Calculation Agent) notify to holders of the Preference Shares; and/or (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Preference Shares as the Preference Share Calculation Agent determines appropriate to account for the economic effect on the Preference Shares of such Merger Event (*provided that* no adjustments will be made solely to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Preference Shares), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment; and/or (iii) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the "**Shares**" and the "**Share Issuer**", respectively, and if the Preference Share Calculation Agent determines to be appropriate, the Company will adjust any relevant terms of the Preference Shares as it may determine.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such redemption, adjustment or deemed change to holders of the Preference Shares (copied to the Company).

(iii) Consequences of a Tender Offer

If the Preference Share Calculation Agent determines that a Tender Offer has occurred, then on or after the relevant Tender Offer Date the Company shall (if so instructed by the Preference Share Calculation Agent) (i) redeem each Preference Share at its fair market value less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) as at the Tender Offer Date on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares; and/or (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Preference Shares as the Preference Share Calculation Agent determines appropriate to account for the economic effect on the Preference Shares of such Tender Offer (*provided that* no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Preference Shares), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such redemption or adjustment to holders of the Preference Shares (copied to the Company).

(iv) Nationalisation, Insolvency or De-listing

If in respect of the Shares or the Share Issuer the Preference Share Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Company shall (if so instructed by the Preference Share Calculation Agent) (i) make such adjustment, if any, to any one or more of the Redemption Price and/or the Strike Price and/or any of the other terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for the Nationalisation, Insolvency or Delisting, as the case may be, on the effective date of that adjustment (in each case as determined by the Preference Share Calculation Agent) or (ii) redeem each Preference Share at its fair market value as at the date of redemption taking into account the Nationalisation, Insolvency or De-listing less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of any redemption of the Preference Shares, determination or adjustment pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

(v) Change of Exchange

If the Exchange is changed, the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such consequential modifications to the Strike Price, Redemption Price, Valuation Time and such other terms and conditions of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such modification(s) to holders of the Preference Shares (copied to the Company).

(vi) Price Correction

In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made under the Preference Shares is subsequently corrected and the correction is published by the Exchange within three Business Days (or such other period specified in the Preference Share Confirmation) after the original publication, the Preference Share Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Company will make such adjustments to the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such correction.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such adjustment(s) to holders of the Preference Shares (copied to the Company).

(vii) Currency

If the Preference Share Calculation Agent determines that any event occurs affecting the Preference Share Currency or the currency in which any of the Shares are quoted, listed and/or dealt in on the Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Preference Share Calculation Agent determines necessitates an adjustment or adjustments to the Redemption Price, Strike Price (if applicable) and/or any other relevant term of the Preference Shares (including the date on which any amount is payable by the Company), the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such adjustment or adjustments to the Redemption Price, Strike Price (if applicable) and/or any other relevant term of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares of any such adjustment(s) (copied to the Company).

(viii) Additional Disruption Events

If the Preference Share Calculation Agent determines that an Additional Disruption Event has occurred, the Company shall (acting on the instructions of the Preference Share Calculation Agent) either (i) make such adjustment, if any, to any one or more of the Redemption Price and/or the Strike Price and/or any of the other terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such Additional Disruption Event, on the effective date of that adjustment (in each case as determined by the Preference Share Calculation Agent) or (ii) redeem each Preference Share at its fair market value as at the date of redemption taking into account such Additional Disruption Event less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company shall (acting on the instructions of the Preference Share Calculation Agent) notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

(ix) Change in currency

If, at any time after the Issue Date, there is any change in the currency in which the Shares are quoted, listed and/or dealt on the Exchange, then the Company will adjust such of the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines appropriate to preserve the economic terms of the Preference Shares. The Preference Share Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Preference Share Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency of denomination of the Preference Shares or of any payment obligation arising out of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any adjustments pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

4. Automatic Early Redemption

For the purposes of the Preference Shares, if "Automatic Early Redemption" is specified as being applicable in the Preference Share Confirmation, then unless previously redeemed or purchased and cancelled, if the Preference Share Calculation Agent determines that on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event has occurred, then the Preference Share Calculation Agent shall promptly notify the Company and the Preference Shares will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Preference Share Confirmation) following the occurrence of such Automatic Early Redemption Event, and in any such case the Redemption Price payable by the Company on such date upon redemption of each Preference Share shall be an amount equal to the relevant Automatic Early Redemption Amount.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

5. **Early Redemption on Early Redemption of Notes**

If all and not some only of the Notes are redeemed by the Issuer pursuant to their terms and conditions prior to their scheduled maturity date, the Company shall redeem each Preference Share at its fair market value as at the date of redemption of the Notes less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

6. **Determinations by the Preference Share Calculation Agent**

The Preference Share Calculation Agent shall make all determinations required of it pursuant to the terms and conditions of the Preference Shares in good faith and acting in a commercially reasonable manner.

(1)(B) *Additional Terms and Conditions of Preference Shares linked to a Basket of Shares*

The terms and conditions applicable to Preference Shares linked to a Basket of Shares ("**Basket Share Linked Shares**") shall be supplemented by the following additional terms and conditions.

1. Definitions

For the purposes of the terms and conditions of the Preference Shares, the following terms shall have the meanings set out below:

"**Additional Disruption Event**" means a Change in Law, an Insolvency Filing, a Hedging Disruption and/or an Increased Cost of Hedging, as specified in the relevant Preference Share Confirmation and as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Amount**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (a) an amount specified as such in the applicable Preference Share Confirmation or, if no such amount is specified, (b) an amount per Preference Share equal to the product of (i) the Issue Price and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date, all as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation, subject in each case to adjustment in accordance with paragraph 2 below.

"**Automatic Early Redemption Event**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (unless otherwise specified in the applicable Preference Share Confirmation) that the Price of one or more Shares (as specified in the applicable Preference Share Confirmation) is, as specified in the applicable Preference Share Confirmation, (i) "**greater than**", (ii) "**greater than or equal to**", (iii) "**less than**" or (iv) "**less than or equal to**" the Automatic Early Redemption Price(s), as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Price(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, the Price(s) per Share specified as such or otherwise determined in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date and if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, the rate specified as such in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Valuation Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with paragraph 2 below.

"**Basket**" means a basket composed of Shares in the relative proportions and/or numbers of Shares of each Share Issuer specified in the Preference Share Confirmation.

"**Change in Law**" means that, on or after the Issue Date (or as otherwise set forth in the relevant Preference Share Confirmation) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Preference Share Calculation Agent determines that (X) it has become illegal for the Issuer and/or any of its affiliates to hold, acquire or dispose of any Shares, or (Y) the Issuer and/or any of its affiliates will incur a materially increased cost in holding, acquiring or disposing of any Shares and/or performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**De-listing**" means that an Exchange announces that pursuant to its rules one or more of the Shares in the Basket has ceased (or will cease) to be listed, traded or publicly quoted on the relevant Exchange for any reason (other than a Merger Event or Tender Offer) and such Shares are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and such Shares are no longer listed on an Exchange acceptable to the Preference Share Calculation Agent.

"**Disrupted Day**" means, in respect of a Share, any Scheduled Trading Day on which (i) the relevant Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred, all as determined by the Preference Share Calculation Agent.

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

"**Exchange**" means, in respect of a Share, the Exchange specified for such Share in the Preference Share Confirmation or otherwise the stock exchange on which such Share is, in the determination of the Preference Share Calculation Agent, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily been relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to such Share on such successor or substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the relevant Exchange or any relevant Related Exchange closing prior to its Scheduled Closing Time, as determined by the Preference Share Calculation Agent.

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

"**Extraordinary Dividend**" means, in respect of a Share, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Preference Share Calculation Agent.

"**Final Share Price**" means, in respect of a Share, the price of one such Share in the Share Currency quoted on the relevant Exchange at the Valuation Time on the

Valuation Date or, if Final Averaging Dates are specified in the Preference Share Confirmation, the arithmetic mean of the prices of one such Share as of each Valuation Time on each Final Averaging Date (or such other definition, if any, as may be specified in the Preference Share Confirmation), as determined by the Preference Share Calculation Agent.

"**Hedging Disruption**" means that the Issuer and/or any of its affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk in respect of the Issuer performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

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

"**Initial Share Price**" means, in respect of a Share, the price of one such Share in the Share Currency quoted on the relevant Exchange at the Valuation Time on the Strike Date (or such other definition, if any, as may be specified in the Preference Share Confirmation), as determined by the Preference Share Calculation Agent.

"**Insolvency**" means, in respect of a Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting such Share Issuer, (A) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of such Share Issuer become legally prohibited from transferring them, all as determined by the Preference Share Calculation Agent.

"**Insolvency Filing**" means, in respect of a Share, that the Preference Share Calculation Agent determines that the relevant Share Issuer has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition.

"**Issuer**" means Investec Bank plc, as issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme.

"**Market Disruption Event**" means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Preference Share Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, all as determined by the Preference Share Calculation Agent.

"**Merger Date**" means, in respect of a Merger Event, the closing date of such Merger Event or, where the Preference Share Calculation Agent determines that a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Preference Share Calculation Agent.

"**Merger Event**" means, in respect of one or more of the Shares in the Basket, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the relevant Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer or its subsidiaries with or into another entity in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event (a "**Reverse Merger**"), in each case if the Merger Date is on or before the Valuation Date (or such other date as may be specified in the Preference Share Confirmation), all as determined by the Preference Share Calculation Agent.

"**Nationalisation**" means that all the Shares of a Share Issuer or all or substantially all the assets of such Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof, as determined by the Preference Share Calculation Agent.

"**New Shares**" means ordinary or common shares, whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date are promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member of state of the European Union) or on another exchange acceptable to the Preference Share Calculation Agent and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations, all as determined by the Preference Share Calculation Agent.

"**Notes**" means, in respect of any Class of Preference Share, the notes issued by the Issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme that are linked to such Class of Preference Shares.

"**Notional Hedge Termination Costs**" means, in respect of each Preference Share and as of an early redemption date, a portion of the fair market value of such Preference Share that is equal to the portion that (i) any costs, expenses, fees, or taxes incurred by the Issuer or any of its affiliates in respect of amending or liquidating any financial instruments or transactions entered into in connection with the Notes in respect of the early redemption of the Notes on such date would bear to (ii) the fair market value of such Notes on such early redemption date if no Notional Hedge Termination Costs were deducted from the fair market value of the Preference Shares, all as determined by the Preference Share Calculation Agent.

"**Observation Date**" means each date, if any, specified as such in the Preference Share Confirmation, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Observation Period**" has the meaning given to it in the Preference Share Confirmation.

"**Other Consideration**" means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party).

"**Potential Adjustment Event**" means any of the following: a subdivision, consolidation or reclassification of one or more of the Shares in the Basket (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue; a distribution, issue or dividend to existing holders of one or more of the Shares in the Basket of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the relevant Share Issuer equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the relevant Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Preference Share Calculation Agent; an Extraordinary Dividend; a call by a Share Issuer in respect of relevant Shares that are not fully paid; a repurchase by a Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; with respect to a Share Issuer, an event that results in any shareholder rights pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value (as determined by the Preference Share Calculation Agent) being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer (*provided that* any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or any other event that may have a diluting or concentrative effect on the theoretical value of one or more of the Shares in the Basket, all as determined by the Preference Share Calculation Agent.

"**Preference Share Currency**" means the currency in which the relevant Preference Shares are denominated.

"**Price**" means, in respect of a Share, on any Exchange Business Day, the price of one such Share in the Share Currency quoted on the relevant Exchange (i) if "**Constant Monitoring**" is specified as being applicable in the Preference Share Confirmation, at any given time on such Exchange Business Day or (ii) if "**Valuation Time Only**" is specified as being applicable in the Preference Share Confirmation, at the Valuation Time on such Exchange Business Day, all as determined by the Preference Share Calculation Agent.

"**Related Exchange**" means, in respect of a Share, each exchange or quotation system where trading has a material effect (as determined by the Preference Share Calculation Agent) on the overall market for futures or options contracts relating to such Share or such other options or futures exchange(s) as the Company shall (acting on the instructions of the Preference Share Calculation Agent) select, any transferee exchange or quotation system or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

"**Scheduled Trading Day**" means, in respect of a Share, any day on which the relevant Exchange and each relevant Related Exchange is scheduled to be open for trading for its regular trading sessions.

"**Share Currency**" has the meaning given to it in the Preference Share Confirmation.

"**Share Issuer**" has the meaning given to it in the Preference Share Confirmation.

"**Shares**" has the meaning given to it in the Preference Share Confirmation.

"**Strike Date**" means the date (if any) specified as such in the Preference Share Confirmation, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Strike Price**" means the price (if any) specified as such in the Preference Share Confirmation.

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

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in an amount determined by the Preference Share Calculation Agent are actually purchased or otherwise obtained (as determined by the Preference Share Calculation Agent).

"**Trading Disruption**" means, in respect of a Share, any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or such Related Exchange or otherwise (i) relating to such Share on such Exchange or (ii) in futures or options contracts relating to such Share on a Related Exchange, all as determined by the Preference Share Calculation Agent.

"**Valuation Date**" means the date (if any) specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Valuation Time**" means the time on the relevant Valuation Date or Averaging Date, as the case may be, specified in the relevant Preference Share Confirmation or, if no such time is specified, the Scheduled Closing Time on the Exchange on the relevant date in relation to that Share. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to paragraph 2 below) the Valuation Time shall be such actual closing time.

2. **Disrupted Days**

(i) If the Preference Share Calculation Agent determines that the Strike Date, any Valuation Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, is a Disrupted Day in respect of a Share, then the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, in respect of that Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of that Share, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Preference Share Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date for such Share, as the case may be, is a Disrupted Day. In that case:

(a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early

Redemption Valuation Date or such Observation Date, as the case may be, for such Share notwithstanding the fact that such day is a Disrupted Day; and

(b) the Preference Share Calculation Agent shall determine the price of one such Share as its good faith estimate of the price of one such Share that would have prevailed, but for the occurrence of a Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day.

(ii) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Preference Share Confirmation in relation to "Averaging Date Market Disruption" is:

(1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Share Price or Final Share Price *provided that*, if through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date, then sub-paragraph (i) above will apply for purposes of determining the relevant price on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(2) "**Omission 2**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the Share Price or Final Share Price in respect of any Share *provided that*, if through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date, then sub-paragraph (iii) below will apply for purposes of determining the relevant price on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(3) "**Postponement**", then sub-paragraph (i) above will apply for purposes of determining the relevant price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the Preference Shares;

(4) "**Postponement 2**", then sub-paragraph (iii) below will apply for purposes of determining the relevant price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the Preference Shares; or

(5) "**Modified Postponement**", then:

(aa) the Averaging Date for each Share not affected by the occurrence of a Disrupted Day shall be the day specified in the relevant Preference Share Confirmation as an Averaging Date in relation to the relevant Valuation Date (the "**Scheduled Averaging Date**") and the Averaging Date for a Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Share. If the first succeeding Valid Date in relation to such Share has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the Scheduled Averaging Date, then (1) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to the relevant Share; and (2) the Preference Share Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (i) above; and

(bb) "**Valid Date**" shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur;

(6) "**Modified Postponement 2**", then:

(aa) such Averaging Date for each Share shall be the first succeeding Valid Date which is a Valid Date in relation to each Share. If the first succeeding Valid Date which is a Valid Date in relation to each Share has not occurred as of the Valuation Time on the eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Share immediately following the originally scheduled Averaging Date, then (1) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Share is already an Averaging Date) in relation to each Share; and (2) the Preference Share Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (iii)(2) below; and

(bb) "**Valid Date**" shall mean a Scheduled Trading Day in respect of a Share that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur;

(7) "**Preceding**", then such Averaging Date will be the immediately preceding day that is a Scheduled Trading Day for such Share that is not a Disrupted Day and on which another Averaging Date has not or is deemed to have not occurred; or

(8) "**Preceding 2**", then, in respect of each Share, such Averaging Date will be the immediately preceding day that is a Scheduled Trading Day for each Share that is not a Disrupted Day and on which another Averaging Date has not or is deemed to have not occurred.

(iii) If the Preference Share Calculation Agent determines that any Averaging Date or Valuation Date is a Disrupted Day in respect of any Share, then such Averaging Date or Valuation Date in respect of each Share shall be the first succeeding day which is a Scheduled Trading Day in respect of each Share that is not a Disrupted Day in respect of any Share, unless each of the eight Scheduled Trading Days which are Scheduled Trading Days in respect of each Share immediately following the original date that, but for the determination by the Preference Share Calculation Agent of the occurrence of a Disrupted Day, would have been such Averaging Date or Valuation Date, are Disrupted Days for any Share. In that case:

(1) that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Share shall be deemed to be such Averaging Date or Valuation Date for each Share, notwithstanding the fact that such day is a Disrupted Day; and

(2) in relation to each Share for which such Scheduled Trading Day is a Disrupted Day, the Preference Share Calculation Agent shall determine the price of one Share as its good faith estimate of the price of one Share that would have prevailed, but for the occurrence of a Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day.

(iv) Notwithstanding the provisions of any other term or condition of the Preference Shares, if the Preference Share Calculation Agent determines that a Disrupted Day has occurred on any Valuation Date and/or on any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount (if such amount is payable) shall be postponed to the later of (i) the Final Redemption Date or (as the case may be) the Automatic Early Redemption Date and (ii) the date that is three Business Days (or such other period as specified in the Preference Share Confirmation) following the postponed Valuation Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount in accordance with this paragraph 2.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice to the holders of the Preference Shares (copied to the Company) of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Preference Shares.

3. **Adjustments**

(i) Adjustments

If the Preference Share Calculation Agent determines that a Potential Adjustment Event has occurred in respect of one or more of the Shares in the Basket or that there has been an adjustment to the settlement terms of listed contracts on one or more of the Shares in the Basket traded on a Related Exchange, the Preference Share Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (a) make the corresponding adjustment(s), if any, to any one or more of the Redemption Price and/or the Strike Price and/or any of the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines appropriate to account for that diluting or concentrative effect (*provided that* no adjustments will be made to account solely for changes in volatility, expected dividend, stock loan rate or liquidity) and (b) determine the effective date(s) of the adjustment(s). The Preference Share Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the relevant Shares traded on that options exchange.

The Preference Share Calculation Agent shall give notice of such adjustment(s) and determinations to the Company and holders of the Preference Shares.

(ii) Consequences of a Merger Event

If the Preference Share Calculation Agent determines that a Merger Event has occurred in respect of one or more of the Shares in the Basket, the Company shall (if so instructed by the Preference Share Calculation Agent) (i) redeem each Preference Share at its fair market value less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) as at the Merger Date on such date as the Company may notify to holders of the Preference Shares; and/or (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Preference Shares as the Preference Share Calculation Agent determines appropriate to account for the economic effect on the Preference Shares of such Merger Event (*provided that* no adjustments will be made solely to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the relevant Shares or to the Preference Shares), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment; and/or (iii) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the relevant "**Shares**" and the relevant "**Share Issuer**", respectively, and if the Preference Share Calculation Agent determines to be appropriate, the Company will adjust any relevant terms of the Preference Shares as the Preference Share Calculation Agent may determine.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of such redemption, adjustment or deemed change to holders of the Preference Shares (copied to the Company).

(iii) Consequences of a Tender Offer

If the Preference Share Calculation Agent determines that a Tender Offer has occurred in respect of one or more of the Shares in the Basket, then on or after the relevant Tender Offer Date the Company shall (if so instructed by the Preference Share Calculation Agent) (i) redeem each Preference Share at its fair market value less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) as at the Tender Offer Date on such date as the Company may notify to holders of the Preference Shares (acting on the instructions of the Preference Share Calculation Agent); and/or (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Preference Shares as the Preference Share Calculation Agent determines appropriate to account for the economic effect on the Preference Shares of such Tender Offer (*provided that* no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Preference Shares), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of such redemption or adjustment to holders of the Preference Shares (copied to the Company).

(iv) Nationalisation, Insolvency or De-listing

If in respect of one or more of the Shares in the Basket or a Share Issuer the Preference Share Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Company shall (if so instructed by the Preference Share Calculation Agent) (i) make such adjustment, if any, to any one or more of the Redemption Price and/or the Strike Price and/or any of the other terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for the Nationalisation, Insolvency or De-listing, as the case may be, on the effective date of that adjustment (in each case as determined by the Preference Share Calculation Agent) or (ii) redeem each Preference Share at its fair market value as at the date of redemption taking into account the Nationalisation, Insolvency or De-listing less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company shall (acting on the instructions of the Preference Share Calculation Agent) notify to holders of the Preference Shares.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of any redemption of the Preference Shares, determination or adjustment pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

(v) Change of Exchange

If an Exchange is changed, the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such consequential modifications to the Strike Price, Redemption Price, Valuation Time and such other terms and conditions of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such modification(s) to holders of the Preference Shares (copied to the Company).

(vi) Price Correction

In the event that any price or level published on an Exchange and which is utilised for any calculation or determination made under the Preference Shares is subsequently corrected and the correction is published by the relevant Exchange within three Business Days (or such other period as may be specified in the Preference Share Confirmation) after the original publication, the Preference Share Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Company will make such adjustments to the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such correction.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such adjustment(s) to holders of the Preference Shares (copied to the Company).

(vii) Currency

If the Preference Share Calculation Agent determines that any event occurs affecting the Preference Share Currency or the currency in which any of the Shares are quoted, listed and/or dealt in on the Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Preference Share Calculation Agent determines necessitates an adjustment or adjustments to the Redemption Price, Strike Price (if applicable) and/or any other relevant term of the Preference Shares (including the date on which any amount is payable by the Company), the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such adjustment or adjustments to the Redemption Price, Strike Price (if applicable) and/or any other relevant term of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares of any such adjustment(s) (copied to the Company).

(viii) Additional Disruption Events

If the Preference Share Calculation Agent determines that an Additional Disruption Event has occurred, the Company shall (acting on the instructions of the Preference Share Calculation Agent) either (i) make such adjustment, if any, to any one or more of the Redemption Price and/or the Strike Price and/or any of the other terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such Additional Disruption Event, on the effective date of that adjustment (in each case as determined by the Preference Share Calculation Agent) or (ii) redeem each Preference Share at its fair market value as at the date of redemption taking into account such Additional Disruption Event less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

(ix) Change in currencies

If, at any time after the Issue Date, there is any change in the currency in which any Shares are quoted, listed and/or dealt on the Exchange, then the Company will adjust such of the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines appropriate to preserve the economic terms of the Preference Shares. The Preference Share Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Preference Share Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency of denomination of the Preference Shares or any payment obligation arising out of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any adjustments pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

4. **Automatic Early Redemption**

For the purposes of the Preference Shares, if "Automatic Early Redemption" is specified as being applicable in the Preference Share Confirmation, then unless previously redeemed or purchased and cancelled, if the Preference Share Calculation Agent determines that on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event has occurred, then the Preference Share Calculation Agent shall promptly notify the Company and the Preference Shares will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Preference Share Confirmation) following the occurrence of such Automatic Early Redemption Event, and in any such case the Redemption Price payable by the Company on such date upon redemption of each Preference Share shall be an amount equal to the relevant Automatic Early Redemption Amount.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

5. **Early Redemption on Early Redemption of Notes**

If all and not some only of the Notes are redeemed by the Issuer pursuant to their terms and conditions prior to their scheduled maturity date, the Company shall redeem each Preference Share at its fair market value as at the date of redemption of the Notes less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

6. **Determinations by the Preference Share Calculation Agent**

The Preference Share Calculation Agent shall make all determinations required of it pursuant to the terms and conditions of the Preference Shares in good faith and acting in a commercially reasonable manner.

(2) *Preference Shares linked to an Index or Basket of Indices*

(2)(A) *Additional Terms and Conditions of Preference Shares linked to a Single Index*

The terms and conditions applicable to Preference Shares linked to a single Index ("**Single Index Linked Shares**") shall be supplemented by the following additional terms and conditions.

1. Definitions

For the purposes of the terms and conditions of the Preference Shares, the following terms shall have the meanings set out below:

"**Additional Disruption Event**" means a Hedging Disruption and/or an Increased Cost of Hedging, as specified in the relevant Preference Share Confirmation and as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Amount**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (a) an amount specified as such in the applicable Preference Share Confirmation or, if no such amount is specified, (b) an amount per Preference Share equal to the product of (i) the Issue Price and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date, all as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation, subject in each case to adjustment in accordance with paragraph 2 below.

"**Automatic Early Redemption Event**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (unless otherwise specified in the applicable Preference Share Confirmation) that the Index Level is, as specified in the applicable Preference Share Confirmation, (i) "**greater than**", (ii) "**greater than or equal to**", (iii) "**less than**" or (iv) "**less than or equal to**" the Automatic Early Redemption Level, as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Level**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, the Index Level specified as such or otherwise determined in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date and if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, the rate specified as such in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Valuation Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with paragraph 2 below.

"**Disrupted Day**" means any Scheduled Trading Day on which (i) if "**Multi-Exchange Index**" is specified in the Preference Share Confirmation, the Index Sponsor fails to publish the level of the Index or, if "**Non Multi-Exchange Index**" is specified in the Preference Share Confirmation, the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred, all as determined by the Preference Share Calculation Agent.

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange(s) or Related Exchange(s), if any, prior to its/their Scheduled Closing Time unless such earlier closing time is announced by the relevant Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day, all as determined by the Preference Share Calculation Agent.

"**Exchange(s)**" means, if "**Non Multi-Exchange Index**" is specified in the Preference Share Confirmation, the Exchange specified in the Preference Share Confirmation or, if "**Multi-Exchange Index**" is specified in the Preference Share Confirmation, in respect of any securities comprised in the Index, the stock exchanges (from time to time) on which in the determination of the Preference Share Calculation Agent such securities are listed for the purposes of such Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the Index has temporarily been relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means any Scheduled Trading Day on which the relevant Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding such relevant Exchange or any such relevant Related Exchange closing prior to its Scheduled Closing Time, as determined by the Preference Share Calculation Agent.

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Preference Share Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, if "**Multi-Exchange Index**" is specified in the Preference Share Confirmation, any security comprised in the Index on any relevant Exchange or, if "**Non Multi-Exchange Index**" is specified in the Preference Share Confirmation, securities that comprise 20 per cent. or more of the level of the Index on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Index on any relevant Related Exchange.

"**Final Index Level**" means the level of the relevant Index in the Share Currency at the Valuation Time on the Valuation Date or, if Final Averaging Dates are specified in the Preference Share Confirmation, the arithmetic mean of the levels of the Index at the Valuation Time on each Final Averaging Date (or such other definition, if any, as may be specified in the Preference Share Confirmation), as determined by the Preference Share Calculation Agent.

"**Hedging Disruption**" means that the Issuer and/or any of its affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk in respect of the Issuer performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

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

"**Index**" means the index specified in the Preference Share Confirmation, or any Successor Index.

"**Index Cancellation**" means the Index Sponsor cancels the Index and no Successor Index exists.

"**Index Disruption**" means the Index Sponsor fails to calculate and announce the Index Level.

"**Index Level**" means, on any relevant Scheduled Trading Day, the level of the Index, as calculated and published by the Index Sponsor, (i) if "**Constant Monitoring**" is specified as being applicable in the Preference Share Confirmation, at any given time on such Scheduled Trading Day or (ii) if "**Official Closing Level Only**" is specified as being applicable in the Preference Share Confirmation, the official closing level of the Index on such Scheduled Trading Day.

"**Index Modification**" means the Index Sponsor announces that it will make (in the opinion of the Preference Share Calculation Agent) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent securities and capitalisation and other routine events).

"**Index Sponsor**" means either (x) the index sponsor specified in the Preference Share Confirmation or such other corporation or entity as determined by the Preference Share Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Preference Share Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person or (y) if no such index sponsor is specified in the Preference Share Confirmation, then the corporation or entity as determined by the Preference Share Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Preference Share Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person.

"**Issuer**" means Investec Bank plc, as issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme.

"**Market Disruption Event**" means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Preference Share Calculation Agent determines in its sole discretion is material at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, *provided that*, if "**Multi-Exchange Index**" is specified in the Preference Share Confirmation, the securities comprised in the Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Preference Share Calculation Agent, in aggregate to 20 per cent. or more of the level of the Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Preference Share Calculation Agent, all as determined by the Preference Share Calculation Agent.

"**Notes**" means, in respect of any Class of Preference Share, the notes issued by the Issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme that are linked to such Class of Preference Shares.

"**Notional Hedge Termination Costs**" means, in respect of each Preference Share and as of an early redemption date, a portion of the fair market value of such Preference Share that is equal to the portion that (i) any costs, expenses, fees, or taxes incurred by the Issuer or any of its affiliates in respect of amending or liquidating any financial instruments or transactions entered into in connection with the Notes in respect of the early redemption of the Notes on such date would bear to (ii) the fair market value of such Notes on such early redemption date if no Notional Hedge Termination Costs were deducted from the fair market value of the Preference Shares, all as determined by the Preference Share Calculation Agent.

"**Observation Date**" means each date, if any, specified as such in the Preference Share Confirmation, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Observation Period**" has the meaning given to it in the Preference Share Confirmation.

"**Preference Share Currency**" means the currency in which the relevant Preference Shares are denominated.

"**Related Exchange**" means each exchange or quotation system as the Preference Share Calculation Agent determines on which trading has a material effect (as determined by the Preference Share Calculation Agent) on the overall market for futures or options contracts relating to the Index, or such other options or futures exchange(s) as the Company shall (acting on the instructions of the Preference Share Calculation Agent) select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Index has temporarily relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

"**Scheduled Closing Time**" means in respect of the relevant Exchange(s) or a Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of the relevant Exchange(s) or such Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Trading Day**" means (i) if "**Multi-Exchange Index**" is specified in the Preference Share Confirmation, any day on which the Index Sponsor is scheduled to publish the level of the Index and each Related Exchange is scheduled to be open for trading for its regular trading session and (ii) if "**Non Multi-Exchange Index**" is specified in the Preference Share Confirmation, any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

"**Strike Date**" means the date (if any) specified as such in the Preference Share Confirmation, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Strike Level**" means the level (if any) specified as such in the Preference Share Confirmation.

"**Successor Index**" means where the Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Preference Share Calculation Agent or (ii) replaced by a successor index using, in the determination of the Preference Share Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, such successor index or index calculated and announced by the successor sponsor.

"**Trading Disruption**" means any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or the relevant Related Exchange or otherwise (i) if "**Multi-Exchange Index**" is specified in the Preference Share Confirmation, on any relevant Exchange(s) relating to any security comprised in the Index or, if "**Non Multi-Exchange Index**" is specified in the Preference Share Confirmation, on the Exchange relating to securities that comprise 20 per cent. or more of the level of the Index, or (ii) in futures or options contracts relating to the Index on a Related Exchange, all as determined by the Preference Share Calculation Agent.

"**Valuation Date**" means the date (if any) specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Valuation Time**" means the time on the relevant Valuation Date or Averaging Date, as the case may be, specified in the relevant Preference Share Confirmation or, if no such time is specified, the Scheduled Closing Time on the Exchange on the relevant date. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to paragraph 2 below) the Valuation Time shall be such actual closing time.

2. **Disrupted Days**

(i) If the Preference Share Calculation Agent determines that the Strike Date, any Valuation Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, in respect of the Index is a Disrupted Day, then the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Preference Share Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, is a Disrupted Day. In that case:

(a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, in respect of the Index, notwithstanding the fact that such day is a Disrupted Day; and

(b) the Preference Share Calculation Agent shall determine the Index Level on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or, if the Preference Share Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day).

(ii) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Preference Share Confirmation in relation to "Averaging Date Market Disruption" is:

(1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Index Level or Final Index Level *provided that*, if through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date, then sub-paragraph (i) above will apply for purposes of determining the relevant level on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(2) "**Postponement**", then sub-paragraph (i) above will apply for purposes of determining the relevant level on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the Preference Shares; or

(3) "**Modified Postponement**", then:

(aa) the Averaging Date shall be the first succeeding Valid Date in relation to such Index. If the first succeeding Valid Date in relation to Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the scheduled Averaging Date, then (1) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Index; and (2) the Preference Share Calculation Agent shall determine the relevant level for that Averaging Date in accordance with sub-paragraph (i) above; and

(bb) "**Valid Date**" shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur.

(iii) Notwithstanding the provisions of any other term or condition of the Preference Shares, if the Preference Share Calculation Agent determines that a Disrupted Day has occurred on any Valuation Date and/or any Observation Date, Automatic Early Redemption Valuation Date, or Averaging Date, payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount (if such amount is payable) shall be postponed to the later of (i) the Final Redemption Date or (as the case may be) the Automatic Early Redemption Date and (ii) the date that is three Business Days (or such other period specified in the Preference Share Confirmation) following the postponed Valuation Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount in accordance with this paragraph 2.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares (copied to the Company) of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Preference Shares.

3. **Adjustments, Consequences of Certain Events and Currency**

(i) Index Modification, Index Cancellation and/or Index Disruption

If the Preference Share Calculation Agent determines that an Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Preference Share Calculation Agent determines necessitate(s) an adjustment or adjustments to the Redemption Price and/or any other relevant term of the Preference Shares, the Company shall (acting on the instructions of the Preference Share Calculation Agent) either (i) redeem each Preference Share at its fair market value less any Notional Hedge Termination Costs (as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares; and/or (ii) make any adjustment or adjustments to the Redemption Price and/or any other relevant term of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares of any such adjustment or redemption (copied to the Company).

(ii) Change of Exchange

If an Exchange is changed, the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such consequential modifications to any of the Strike Level, Redemption Price, Valuation Time and such other terms and conditions of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such modification(s) to holders of the Preference Shares (copied to the Company).

(iii) Price Correction

In the event that any price or level published on the relevant Exchange(s) or by the Index Sponsor and which is utilised for any calculation or determination made under the Preference Shares is subsequently corrected and the correction is published by the relevant Exchange(s) or Index Sponsor(s) within three Business Days (or such other period specified in the Preference Share Confirmation) after the original publication, the Preference Share Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Company will make any such adjustments to the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such correction.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such adjustment(s) to holders of the Preference Shares (copied to the Company).

(iv) Currency

If the Preference Share Calculation Agent determines that any event occurs affecting the Preference Share Currency (whether relating to its convertibility into other currencies or otherwise) which the Preference Share Calculation Agent determines necessitates an adjustment or adjustments to the Redemption Price, Strike Level and/or any other relevant term of the Preference Shares (including the date on which any amount is payable by the Company), the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such adjustment or adjustments to the Redemption Price, Strike Level and/or any other relevant term of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any adjustments pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

(v) Additional Disruption Event

If the Preference Share Calculation Agent determines that an Additional Disruption Event has occurred, the Company shall (acting on the instructions of the Preference Share Calculation Agent) either (i) make such adjustment, if any, to any one or more of the Redemption Price and/or the Strike Level and/or any of the other terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such Additional Disruption Event, on the effective date of that adjustment (in each case as determined by the Preference Share Calculation Agent) or (ii) redeem each Preference Share at its fair market value as at the date of redemption taking into account such Additional Disruption Event less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

4. Automatic Early Redemption

For the purposes of the Preference Shares, if "Automatic Early Redemption" is specified as being applicable in the Preference Share Confirmation, then unless previously redeemed or purchased and cancelled, if the Preference Share Calculation Agent determines that on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event has occurred, then the Preference Share Calculation Agent shall promptly notify the Company and the Preference Shares will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Preference Share Confirmation) following the occurrence of such Automatic Early Redemption Event, and in any such case the Redemption Price payable by the Company on such date upon redemption of each Preference Share shall be an amount equal to the relevant Automatic Early Redemption Amount.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

5. Early Redemption on Early Redemption of Notes

If all and not some only of the Notes are redeemed by the Issuer pursuant to their terms and conditions prior to their scheduled maturity date, the Company shall redeem each Preference Share at its fair market value as at the date of redemption of the Notes less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

6. **Determinations by the Preference Share Calculation Agent**

The Preference Share Calculation Agent shall make all determinations required of it pursuant to the terms and conditions of the Preference Shares in good faith and acting in a commercially reasonable manner.

(2)(B) *Additional Terms and Conditions of Preference Shares linked to a Basket of Indices*

The terms and conditions applicable to Preference Shares linked to a basket of indices ("**Basket Index Linked Shares**") shall be supplemented by the following additional terms and conditions.

1. Definitions

For the purposes of the terms and conditions of the Preference Shares, the following terms shall have the meanings set out below:

"**Additional Disruption Event**" means a Hedging Disruption and/or an Increased Cost of Hedging, as specified in the relevant Preference Share Confirmation and as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Amount**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (a) an amount specified as such in the applicable Preference Share Confirmation or, if no such amount is specified, (b) an amount per Preference Share equal to the product of (i) the Issue Price and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date, all as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation, subject in each case to adjustment in accordance with paragraph 2 below.

"**Automatic Early Redemption Event**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, (unless otherwise specified in the applicable Preference Share Confirmation) that the Index Level of one or more Indices (as specified in the applicable Preference Share Confirmation) is, as specified in the applicable Preference Share Confirmation, (i) "**greater than**", (ii) "**greater than or equal to**", (iii) "**less than**" or (iv) "**less than or equal to**" the Automatic Early Redemption Level(s), as determined by the Preference Share Calculation Agent.

"**Automatic Early Redemption Level(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, the Index Level(s) specified as such or otherwise determined in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date and if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, the rate specified as such in the applicable Preference Share Confirmation.

"**Automatic Early Redemption Valuation Date(s)**" means, if "**Automatic Early Redemption**" is specified as being applicable in the Preference Share Confirmation, each of the date(s) specified as such in the applicable Preference Share Confirmation or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with paragraph 2 below.

"**Basket**" means a basket composed of the Indices specified in the Preference Share Confirmation.

"**Disrupted Day**" means, in respect of an Index, any Scheduled Trading Day on which (i) if "**Multi-Exchange Index**" is specified in the Preference Share Confirmation, the relevant Index Sponsor fails to publish the level of the relevant Index or, if "**Non Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, the relevant Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred, all as determined by the Preference Share Calculation Agent.

"**Early Closure**" means, in respect of an Index, the closure on any Exchange Business Day of any relevant Exchange(s) or Related Exchange(s) prior to its/their Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day, all as determined by the Preference Share Calculation Agent.

"**Exchange(s)**" means, in respect of an Index, if "**Non Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, the Exchange specified for such Index in the Preference Share Confirmation and, if "**Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, in respect of any securities comprised in such Index, the stock exchanges (from time to time) on which in the determination of the Preference Share Calculation Agent such securities are listed for the purposes of such Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the relevant Index has temporarily been relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, in respect of an Index, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time, as determined by the Preference Share Calculation Agent.

"**Exchange Disruption**" means, in respect of an Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Preference Share Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, (x) if "**Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation any security comprised in such Index on any relevant Exchange and (y) if "**Non Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, securities that comprise 20 per cent. or more of the level of such Index on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange.

"**Final Index Level**" means the level of the Index in the Share Currency at the Valuation Time on the Valuation Date or, if Final Averaging Dates are specified in the Preference Share Confirmation, the arithmetic mean of the levels of the Index at the Valuation Time on each Final Averaging Date (or such other definition, if any, as may be specified in the Preference Share Confirmation), as determined by the Preference Share Calculation Agent.

"**Hedging Disruption**" means that the Issuer and/or any of its affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk in respect of the Issuer performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

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

"**Index**" means one of the indices specified in the definition of Basket or any Successor Index, and "**Indices**" means all such indices together.

"**Index Cancellation**" means, in respect of an Index, the Index Sponsor in respect of such Index cancels the Index and no Successor Index exists.

"**Index Disruption**" means, in respect of an Index, the Index Sponsor in respect of such Index fails to calculate and announce the Index Level.

"**Index Level**" means, in respect of an Index, on any relevant Scheduled Trading Day, the level of the Index, as calculated and published by the Index Sponsor, (i) if "**Constant Monitoring**" is specified as being applicable in the Preference Share Confirmation, at any given time on such Scheduled Trading Day or (ii) if "**Official Closing Level Only**" is specified as being applicable in the Preference Share Confirmation, the official closing level of the Index on such Scheduled Trading Day.

"**Index Modification**" means, in respect of an Index, the relevant Index Sponsor announces that it will make (in the opinion of the Preference Share Calculation Agent) a material change in the formula for or the method of calculating such Index or in any other way materially modifies such Index (other than a modification prescribed in that formula or method to maintain such Index in the event of changes in constituent securities and capitalisation and other routine events).

"**Index Sponsor**" means, in respect of an Index, either (x) the index sponsor specified in the Preference Share Confirmation or such other corporation or entity as determined by the Preference Share Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day failing whom such person acceptable to the Preference Share Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person or (y) if no such index sponsor is specified in the Preference Share Confirmation, then the corporation or entity as determined by the Preference Share Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Preference Share Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person.

"**Issuer**" means Investec Bank plc, as issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme.

"**Market Disruption Event**" means, in respect of an Index, the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Preference Share Calculation Agent determines in its sole discretion is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, *provided that*, if "**Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, the securities comprised in the relevant Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Preference Share Calculation Agent, in aggregate to 20 per cent. or more of the level of such Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the relevant Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based on a comparison of (x) the portion of the level of the relevant Index attributable to that security and (y) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Preference Share Calculation Agent, all as determined by the Preference Share Calculation Agent.

"**Notes**" means, in respect of any Class of Preference Share, the notes issued by the Issuer under its £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme that are linked to such Class of Preference Shares.

"**Notional Hedge Termination Costs**" means, in respect of each Preference Share and as of an early redemption date, a portion of the fair market value of such Preference Share that is equal to the portion that (i) any costs, expenses, fees, or taxes incurred by the Issuer or any of its affiliates in respect of amending or liquidating any financial instruments or transactions entered into in connection with the Notes in respect of the early redemption of the Notes on such date would bear to (ii) the fair market value of such Notes on such early redemption date if no Notional Hedge Termination Costs were deducted from the fair market value of the Preference Shares, all as determined by the Preference Share Calculation Agent.

"**Observation Date**" means, in respect of an Index, each date, if any, specified as such in the Preference Share Confirmation or, if any such date is not a Scheduled Trading Day in respect of such Index, the next following such Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Observation Period**" has the meaning given to it in the Preference Share Confirmation.

"**Preference Share Currency**" means the currency in which the relevant Preference Shares are denominated.

"**Related Exchange**" means, in respect of an Index, each exchange or quotation system as the Preference Share Calculation Agent determines on which trading has a material effect (as determined by the Preference Share Calculation Agent) on the overall market for futures or options contracts relating to such Index, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (*provided that* the Preference Share Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the relevant Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

"**Scheduled Trading Day**" means, in respect of an Index, (i) if "**Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, any day on which the relevant Index Sponsor is scheduled to publish the level of such Index and each Related Exchange is scheduled to be open for trading for its regular trading session and (ii) if "**Non Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, any day on which each relevant Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

"**Strike Date**" means the date (if any) specified as such in the Preference Share Confirmation, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Strike Level**" means the level (if any) specified as such in the Preference Share Confirmation.

"**Successor Index**" means, in respect of an Index, where such Index is (i) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Preference Share Calculation Agent or (ii) replaced by a successor index using, in the determination of the Preference Share Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Index, such successor index or index calculated and announced by the successor sponsor.

"**Trading Disruption**" means, in respect of an Index, any suspension of or limitation imposed on trading by a relevant Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or relevant Related Exchange or otherwise (i) if "**Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, on any relevant Exchange(s) relating to any security comprised in the relevant Index or, if "**Non Multi-Exchange Index**" is specified in relation to that Index in the Preference Share Confirmation, on the Exchange relating to securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange, all as determined by the Preference Share Calculation Agent.

"**Valuation Date**" means the date (if any) specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to paragraph 2 below.

"**Valuation Time**" means the time on the relevant Valuation Date or Averaging Date, as the case may be, specified in the relevant Preference Share Confirmation or, if no such time is specified, the Scheduled Closing Time on the Exchange on the relevant date. If a relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to paragraph 2 below) the Valuation Time shall be such actual closing time.

2. **Disrupted Days**

(i) If the Preference Share Calculation Agent determines that the Strike Date, any Valuation Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, is a Disrupted Day in respect of an Index, then the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, for such Index shall be the first succeeding Scheduled Trading Day in respect of such Index that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Preference Share Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, is a Disrupted Day for such Index. In that case:

(a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, such Valuation Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, for such Index, notwithstanding the fact that such day is a Disrupted Day; and

(b) the Preference Share Calculation Agent shall determine the Index Level of such Index on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the relevant Index (or, if the Preference Share Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day).

(ii) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Preference Share Confirmation in relation to "Averaging Date Market Disruption" is:

(1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Index Level or Final Index Level *provided that*, if through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date, then sub-paragraph (i) above will apply for purposes of determining the relevant level on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(2) "**Omission 2**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the Index Level or Final Index Level in respect of any Index *provided that*, if through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date, then sub-paragraph (iii) below will apply for purposes of determining the relevant level on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(3) "**Postponement**", then sub-paragraph (i) above will apply for purposes of determining the relevant level on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the Preference Shares;

(4) "**Postponement 2**", then sub-paragraph (iii) below will apply for purposes of determining the relevant level on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the Preference Shares; or

(5) "**Modified Postponement**", then:

(aa) the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the day specified in the relevant Preference Share Confirmation as an Averaging Date in relation to the relevant Valuation Date (the "**Scheduled Averaging Date**") and the Averaging Date for an Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index. If the first succeeding Valid Date in relation to such Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the Scheduled Averaging Date, then (1) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Index; and (2) the Preference Share Calculation Agent shall determine the relevant level for that Averaging Date in accordance with sub-paragraph (i) above; and

(bb) "**Valid Date**" shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur;

(6) "**Modified Postponement 2**", then:

(aa) such Averaging Date in respect of each Index shall be the first succeeding Valid Date which is a Valid Date in relation to each Index. If the first succeeding Valid Date which is a Valid Date in relation to each Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index immediately following the originally scheduled Averaging Date, then (1) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index is already an Averaging Date) in relation to each Index; and (2) the Preference Share Calculation Agent shall determine the relevant level for that Averaging Date in accordance with sub-paragraph (iii)(2) below; and

(bb) "**Valid Date**" shall mean a Scheduled Trading Day in respect of a Index that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur; or

(7) "**Preceding**", then such Averaging Date will be the immediately preceding day that is a Scheduled Trading Day for such Index that is not a Disrupted Day and on which another Averaging Date has not or is deemed to have not occurred; or

(8) "**Preceding 2**", then, in respect of each Index, such Averaging Date will be the immediately preceding day that is a Scheduled Trading Day for each Index that is not a Disrupted Day and on which another Averaging Date has not or is deemed to have not occurred;

(iii) If the Preference Share Calculation Agent determines that any Averaging Date or Valuation Date is a Disrupted Day in respect of any Index, then such Averaging Date or Valuation Date in respect of each Index shall be the first succeeding day which is a Scheduled Trading Day in respect of each Index that is not a Disrupted Day in respect of any Index, unless each of the eight Scheduled Trading Days which are Scheduled Trading Days in respect of each Index immediately following the original date that, but for the determination by the Preference Share Calculation Agent of the occurrence of a Disrupted Day, would have been such Averaging Date or Valuation Date, are Disrupted Days for any Index. In that case:

(1) that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index shall be deemed to be such Averaging Date or Valuation Date for each Index, notwithstanding the fact that such day is a Disrupted Day; and

(2) in relation to each Index for which such Scheduled Trading Day is a Disrupted Day, the Preference Share Calculation Agent shall determine the Index Level of each Index on that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index in accordance with the formula for and method of calculating each such Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index of each security comprised in the relevant Index (or, if the Preference Share Calculation Agent determines that an event

giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index).

(iv) Notwithstanding the provisions of any other term or condition of the Preference Shares, if the Preference Share Calculation Agent determines that a Disrupted Day has occurred in respect of an Index on any Valuation Date and/or any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount (if such amount is payable) shall be postponed to the later of (i) the Final Redemption Date or (as the case may be) the Automatic Early Redemption Date and (ii) the date that is three Business Days (or such other period specified in the Preference Share Confirmation) following the postponed Valuation Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be, in respect of the Indices. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Redemption Price or (as the case may be) the Automatic Early Redemption Amount in accordance with this paragraph 2.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares (copied to the Company) of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Preference Shares.

3. **Adjustments, Consequences of Certain Events and Currency**

(i) Index Modification, Index Cancellation and/or Index Disruption

If the Preference Share Calculation Agent determines that, in respect of any Index, an Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Preference Share Calculation Agent determines necessitate(s) an adjustment or adjustments to the Redemption Price and/or any other relevant term of the Preference Shares, the Company shall (acting on the instructions of the Preference Share Calculation Agent) either (i) redeem each Preference Share at its fair market value less any Notional Hedge Termination Costs (as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares; and/or (ii) make any adjustment or adjustments to the Redemption Price and/or any other relevant term of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares of any such adjustment or redemption (copied to the Company).

(ii) Change of Exchange

If an Exchange is changed, the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such consequential modifications to the Strike Level, Redemption Price, Valuation Time and such other terms and conditions of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such modification(s) to holders of the Preference Shares (copied to the Company).

(iii) Price Correction

In the event that any price or level published on any relevant Exchange or by any relevant Index Sponsor in respect of an Index and which is utilised for any calculation or determination made under the Preference Shares is subsequently corrected and the correction is published by the relevant Exchange or the relevant Index Sponsor within three Business Days (or such other period as specified in the Preference Share Confirmation) after the original publication, the Preference Share Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Company will make such adjustments to the terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such correction.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice of such adjustment(s) to holders of the Preference Shares (copied to the Company).

(iv) Currency

If the Preference Share Calculation Agent determines that any event occurs affecting the Preference Share Currency (whether relating to its convertibility into other currencies or otherwise) which the Preference Share Calculation Agent determines necessitates an adjustment or adjustments to the Redemption Price, Strike Level and/or any other relevant term of the Preference Shares, the Company shall (acting on the instructions of the Preference Share Calculation Agent) make such adjustment or adjustments to the Redemption Price, Strike Level and/or any other relevant term of the Preference Shares as the Preference Share Calculation Agent deems necessary.

The Preference Share Calculation Agent, on behalf of the Company, shall give notice to the holders of the Preference Shares of any such adjustment (copied to the Company).

(v) Additional Disruption Event

If the Preference Share Calculation Agent determines that an Additional Disruption Event has occurred, the Company shall (acting on the instructions of the Preference Share Calculation Agent) either (i) make such adjustment, if any, to any one or more of the Redemption Price and/or the Strike Level and/or any of the other terms and conditions of the Preference Shares as the Preference Share Calculation Agent determines to be appropriate to account for such Additional Disruption Event, on the effective date of that adjustment (in each case as determined by the Preference Share Calculation Agent) or (ii) redeem each Preference Share at its fair market value as at the date of redemption taking into account such Additional Disruption Event less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

4. **Automatic Early Redemption**

For the purposes of the Preference Shares, if "Automatic Early Redemption" is specified as being applicable in the Preference Share Confirmation, then unless previously redeemed or purchased and cancelled, if the Preference Share Calculation Agent determines that on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event has occurred, then the Preference Share Calculation Agent shall promptly notify the Company and the Preference Shares will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Preference Share Confirmation) following the occurrence of such Automatic Early Redemption Event, and in any such case the Redemption Price payable by the Company on such date upon redemption of each Preference Share shall be an amount equal to the relevant Automatic Early Redemption Amount.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

5. **Early Redemption on Early Redemption of Notes**

If all and not some only of the Notes are redeemed by the Issuer pursuant to their terms and conditions prior to their scheduled maturity date, the Company shall redeem each Preference Share at its fair market value as at the date of redemption of the Notes less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent) on such date as the Company (acting on the instructions of the Preference Share Calculation Agent) shall notify to holders of the Preference Shares.

The Preference Share Calculation Agent shall, on behalf of the Company, give notice of any redemption of the Preference Shares or determination pursuant to this paragraph to holders of the Preference Shares (copied to the Company).

6. **Determinations by the Preference Share Calculation Agent**

The Preference Share Calculation Agent shall make all determinations required of it pursuant to the terms and conditions of the Preference Shares in good faith and acting in a commercially reasonable manner.

CREDIT LINKED PREFERENCE SHARES

(3) Additional Terms and Conditions of Credit Linked Preference Shares

The terms and conditions applicable to Preference Shares that are specified in the applicable Preference Share Confirmation as being "**Credit Linked Preference Shares**" or "**Credit Linked Shares**" shall be supplemented by the following additional terms and conditions.

1. Definitions

For the purposes of the terms and conditions of the Preference Shares, the following terms shall have the meanings set out below:

"**Adjusted Fair Market Value**" means, in relation to any Preference Share as of any date, its fair market value, as of such date, less any Notional Hedge Termination Costs (all as determined by the Preference Share Calculation Agent without taking into account the occurrence of a Credit Event with respect to the relevant Reference Entity).

"**Auction**" means, with respect to a Reference Entity and a Credit Event, an auction coordinated by ISDA that relates to the circumstances specified in the relevant Credit Event Notice and that would be applicable to a Notional CDS, as determined by the Preference Share Calculation Agent.

"**Auction Final Price**" means the relevant auction final price as may be published by ISDA or any administrator of any Auction coordinated by ISDA from time to time and that would be applicable to the Notional CDS, as determined by the Preference Share Calculation Agent.

"**Credit Event**" means that, in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner:

(i) a Reference Entity has become Insolvent;

(ii) a Governmental Intervention has occurred in relation to a Reference Entity; or

(iii) a Restructuring has occurred in relation to a Reference Entity.

"**Credit Event Cash Redemption Amount**" means, in relation to any Preference Share, the greater of:

(i) the product of:

(a) its Adjusted Fair Market Value as of the Credit Event Notice Date; and

(b) the Recovery Rate; and

(ii) the smallest sub-unit of the currency in which such Preference Share is denominated, which shall be £0.01 in the case of any Preference Share denominated in pounds sterling, €0.01 in the case of any Preference Share denominated in euro and U.S.$0.01 in the case of any Preference Share denominated in United States dollars.

"**Credit Event Notice**" means, in relation to any Reference Entity, a written notice from the Preference Share Calculation Agent to the Company stating that a Credit Event has occurred and describing, in reasonable detail, the facts relevant to the determination that a Credit Event has occurred.

"**Credit Event Notice Date**" means the date on which the Preference Share Calculation Agent delivers a Credit Event Notice to the Company.

"**Full Quotation**" means each firm bid quotation obtained from a relevant third party market dealer in respect of a Notional CDS having a notional amount equal to the

Quotation Amount, or, if the Preference Share Calculation Agent determines in its absolute discretion that it is not able to obtain at least one such firm bid quotation, each firm bid quotation obtained from a relevant third party market dealer in respect of the senior unsecured debt of the Reference Entity in an amount equal to the Quotation Amount.

"**General Recovery Rate**" means:

(i) if:

(A) ISDA announces by the date that is 30 calendar days after the Final Redemption Date that an Auction will be held; and

(B) the relevant Auction Final Price is determined not later than the date that is 60 calendar days after the Final Redemption Date,

the Auction Final Price; and

(ii) if:

(A) ISDA announces that no Auction will be held; or

(B) ISDA has not announced by the date that is 30 calendar days after the Final Redemption Date that an Auction will be held; or

(C) the Auction Final Price is not determined by the date that is 60 calendar days after the Final Redemption Date; or

(D) ISDA does not make any relevant announcement within 180 days of the Credit Event occurring;

the Market Value.

"**Governmental Authority**" means, in relation to any Reference Entity:

(i) any de facto or de jure government (or any agency, instrumentality, ministry or department thereof);

(ii) any court, tribunal, administrative or other governmental, inter governmental or supranational body;

(iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of such Reference Entity or some or of all of its obligations; or

(iv) any other authority which is analogous to any of the entities specified in paragraphs (i) to (iii) above.

"**Governmental Intervention**" means that, in relation to any Reference Entity and with respect to one or more obligations for the payment or repayment of borrowed money of such Reference Entity, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to such Reference Entity in a form which is binding:

(i) any event which would affect creditors' rights so as to cause:

(A) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(B) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(C) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or

(D) a change in the ranking in priority of payment of any obligation for the payment or repayment of borrowed money, causing the subordination of such obligation to any other obligation of the Reference Entity;

(ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the relevant obligation;

(iii) a mandatory cancellation, conversion or exchange; or

(iv) any event which has an analogous effect to any of the events specified in (i) to (iii) above.

"**Insolvent**" means, in relation to any Reference Entity:

(i) it is unable or admits inability to pay its debts as they fall due;

(ii) it suspends making payments on any of its debts;

(iii) after the expiration of any applicable grace period (and after the satisfaction of any conditions precedent to the commencement of such grace period), it fails to make, when and where due, any payment under any one or more obligations, in accordance with the terms of such obligations at the time of such failure;

(iv) a liquidator or administrator or other similar officer has been appointed in relation to such Reference Entity;

(v) it enters into a company voluntary arrangement or a scheme of arrangement with its creditors; or

(vi) any Insolvency Proceedings are taken in relation to such Reference Entity.

"**Insolvency Proceedings**" means any legal proceedings in relation to any suspension of payments, moratorium of indebtedness, winding up, dissolution or administration of such person (including, without limitation, any bank insolvency procedure or bank administration procedure under the United Kingdom Banking Act 2009) or any analogous procedure in any jurisdiction.

"**ISDA Credit Derivatives Definitions**" means the 2014 ISDA Credit Derivatives Definitions as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"), as may be further supplemented from time to time as of the Issue Date; and as may be further supplemented or amended after the Issue Date in accordance with any industry protocols.

"**Market Value**" shall be determined by the Preference Share Calculation Agent, in accordance with the following provisions if the Recovery Rate is Market Value. In such a case, the Preference Share Calculation Agent shall attempt to obtain Full Quotations from third party market dealers with respect to the Market Value Determination Date and the "Market Value" shall be the amount, expressed as a percentage, equal to:

(i) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if multiple Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);

(ii) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the Full Quotations having the highest and lowest values (and, if multiple Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);

(iii) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations;

(iv) if only one Full Quotation is obtained, such Full Quotation;

(v) if no Full Quotations are obtained on or prior to the fifth Business Day following the applicable Market Value Determination Date, the value (expressed as a percentage of their principal amount) determined by the Preference Share Calculation Agent, acting in good faith and in a commercially reasonable manner, of the unsubordinated debt obligations of the Reference Entity.

"**Market Value Determination Date**" means:

(i) in the case of sub paragraph (A) of paragraph (ii) of the definition of General Recovery Rate, the first Business Day after the date of the relevant announcement;

(ii) in the case of sub paragraph (B) of paragraph (ii) of the definition of General Recovery Rate, on the first Business Day falling 30 calendar days after the Final Redemption Date;

(iii) in the case of sub paragraph (C) of paragraph (ii) of the definition of General Recovery Rate, the first Business Day falling 60 calendar days after the Final Redemption Date; and

(iv) in the case of sub paragraph (D) of paragraph (ii) of the definition of General Recovery Rate, 180 days after the occurrence of the Credit Event.

"**Notional CDS**" means, in relation to any Reference Entity, a notional credit derivative transaction entered into on market standard terms:

(i) incorporating the ISDA Credit Derivatives Definitions;

(ii) where such market standard terms contemplate an election between referencing senior or subordinated obligations, then referencing senior obligations;

(iii) having a trade date that is the same date as the Issue Date of the Notes and a scheduled termination date that is the same date as the Maturity Date of the Notes; and

(iv) under which any permitted determinations, elections or notices shall be made or deemed sent at the discretion of the Preference Share Calculation Agent,

as determined by the Preference Share Calculation Agent.

"**Notional Hedge Termination Costs**" means, in respect of each Preference Share and as of any date, a portion of the fair market value of such Preference Share that is equal to the portion that (i) any costs, expenses, fees, or taxes incurred by the Issuer or any of its affiliates in respect of amending or liquidating any financial instruments or transactions entered into in connection with the Notes on such date would bear to (ii) the fair market value of such Notes if no Notional Hedge Termination Costs were deducted from the fair market value of the Preference Shares, and without taking into account the occurrence of a Credit Event with respect to the relevant Reference Entity, all as determined by the Preference Share Calculation Agent.

"**Quotation Amount**" means such amount as the Preference Share Calculation Agent determines in its absolute discretion, having regard, if applicable, to any hedging arrangements that the Issuer may have entered into in relation to the relevant Series of Notes.

"**Recovery Rate**" means:

(i) General Recovery Rate; or

(ii) Zero Recovery Rate.

as specified in the applicable Final Terms;

"**Reference Entity**" means, in relation to any Class of Preference Shares, the entity specified as such in the relevant Preference Share Confirmation, or any Successor to such Reference Entity.

"**Restructuring**" means:

(i) with respect to one or more obligations, any one or more of the following events occurs in a form that binds all holders of such obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such obligation to bind all holders of the obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such obligation (including, in each case, in respect of bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such obligation in effect as of the date upon which such obligation is issued or incurred:

(A) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(B) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(C) a postponement or other deferral of a date or dates for either (x) the payment or accrual of interest, or (y) the payment of principal or premium;

(D) a change in the ranking in priority of payment of any obligation, causing the subordination of such obligation to any other obligation; or

(E) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

(ii) For purposes of paragraph (i) above, the term obligation shall be deemed to include, without limitation, underlying obligations for which the Reference Entity is acting as provider of a guarantee. In the case of a guarantee and an underlying obligation, references to the Reference Entity in (i) above shall be deemed to refer to the underlying obligor.

(iii) If an exchange has occurred, the determination as to whether one of the events described under (A) to (E) above has occurred will be based on a comparison of the terms of the relevant bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

"**Succession Event**" means any event (including a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event) which the Preference Share Calculation Agent determines has resulted in a third party entity succeeding to all or some the obligations of a Reference Entity whether by operation of law (pursuant to any ring-fencing provisions or resolution powers under the Banking Act 2009 of the United Kingdom or otherwise) or pursuant to any agreement.

"**Successor**" means an entity which the Preference Share Calculation Agent has specified, by written notice to the Company, as a successor to the Reference Entity following the occurrence of a Succession Event. In specifying a Successor, the Preference Share Calculation Agent will act in a commercially reasonable manner and, in doing so, is entitled to take into account any hedging position or arrangement that the Issuer or any of its affiliates may have entered into in connection with the Notes or the Preference Shares but is not required to take into account the interests of the holders of any Notes or Preference Shares; and provided further that, in circumstances where the Reference Entity is an authorised deposit-taking entity, if there are multiple successors to the Reference Entity's obligations, the Preference Share Calculation Agent is required, to the extent possible, to specify as the Successor a successor entity which is not carrying on business as an authorised deposit-taker, or in the event that this is not possible, the successor entity for which such deposit-taking business is the least significant part of its business.

"**Zero Recovery Rate**" means, in relation to any Reference Entity, zero.

2. **Redemption following Credit Event Notice**

(i) If the Preference Share Calculation Agent delivers a Credit Event Notice to the Company in relation to any Class of Preference Shares prior to their Final Redemption Date, then

(a) the Preference Share Calculation Agent shall determine the Adjusted Fair Market Value of each Preference Share of such Class as of the Credit Event Notice Date; and

(b) each Preference Share of such Class shall be redeemed at its Credit Event Cash Redemption Amount in accordance with the following provisions of this section entitled 3 (*Additional Terms and Conditions of Credit Linked Preference Shares*).

(ii) The Credit Event Cash Redemption Amount shall be determined in accordance with the provisions set out above under paragraph (1) (*Definitions*).

(iii) The Credit Event Cash Redemption Amount will be payable on the Final Redemption Date of the Preference Shares, **provided, however, that,** if the Credit Event Cash Redemption Amount in relation to any Class of Preference Shares has not been determined by the day which is 4 Business Days prior to the scheduled Final Redemption Date for such Preference Shares, then payment of the Credit Event Cash Redemption Amount for such Preference Shares will be postponed to the day which is 4 Business Days after the date of determination of the Credit Event Cash Redemption Amount in accordance with paragraph (1) (*Definitions*) above. The holders of the Preference Shares shall not be entitled to any interest or other payment in respect of such postponement.

(iv) If, following a Credit Event Notice Date, an Automatic Early Redemption Event occurs in respect of any Credit Linked Preference Share or any Credit Linked Preference Share is redeemed early in accordance with the terms and conditions applicable to such Credit Linked Preference Share, references in this Paragraph 2 (*Redemption following Credit Event Notice*) to "Final Redemption Date" shall be references to the Automatic Early Redemption Date or such other such date fixed for the redemption of the Preference Share (as applicable) and references to the Final Redemption Amount shall be references to the Automatic Early Redemption Amount or the such other amount, as applicable in accordance with the terms and conditions applicable to such Credit Linked Preference Share.

(v) The Company shall have no other payment obligations in respect of each such Preference Share (and, in particular, but without limiting the generality of the forgoing, shall have no obligation to pay the Redemption Price that would otherwise be payable by the Company on the Final Redemption Date or (if applicable) any Automatic Early Redemption Date falling after the giving of the Credit Event Notice or any date for redemption thereof pursuant to any additional terms and conditions relating to the early redemption thereof on early redemption of the related Notes).

Additional definitions and provisions relating to Preference Share Redemption Amounts

The following additional definitions are used in the Preference Share Redemption Provisions.

Each Class of Preference Share may be linked to an index, a share, a basket of shares or a basket of indices.

In this section, if the applicable Class of Preference Shares are not linked to an index but are linked to a share, basket of shares or basket of indices, any reference in this section to "index" shall be construed as including, in the alternative, a reference to "share", "basket of indices" and "basket of shares" (as applicable) and, consequently, references to (i) "level" in respect of a single index shall be construed as a reference to "price" in respect of a single share; "the weighted average of the level of each index in the basket" in respect of a basket of indices; and "the weighted average of the prices of each share in the basket" in respect of a basket of shares; (ii) "Initial Index Level" in respect of a single index shall be construed as "Initial Share Price" in respect of a single share; "the weighted average of the Initial Index Level of each index in the basket" in respect of a basket of indices; and "the weighted average of the Initial Share Price of each share in the basket" in respect of a basket of shares; (iii) "Final Index Level" in respect of a single Index shall be construed as references to "Final Share Price" in respect of a single share; "the weighted average of the Final Index Level of each index in the basket" in respect of a basket of indices; and "the weighted average of the Final Share Price of each share in the basket" in respect of a basket of shares.

Capitalised terms used but not otherwise defined in the Preference Share Redemption Provisions shall have the meanings given to them in the Base Prospectus.

"**Automatic Early Redemption Averaging Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, as specified in the Preference Share Confirmation, either:

(i) each of the dates specified as such in the Preference Share Confirmation, or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Automatic Early Redemption Averaging, if the originally scheduled Automatic Early Redemption Averaging Date is not a Scheduled Trading Day in respect of each Index, such Automatic Early Redemption Averaging Date shall be the next following Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index; or

(ii) if Automatic Early Redemption Averaging Period is specified in the Preference Share Confirmation as being applicable, each date in the Automatic Early Redemption Averaging Period;

"**Automatic Early Redemption Averaging End Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Automatic Early Redemption Averaging, if the originally scheduled Automatic Early Redemption Averaging End Date is not a Scheduled Trading Day in respect of each Index, the Automatic Early Redemption Averaging End Date shall be the immediately preceding Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Automatic Early Redemption Averaging Period**" means, as specified in the Preference Share Confirmation, either:

(i) each Scheduled Trading Day in the period from and including the Automatic Early Redemption Averaging Start Date to and including the Automatic Early Redemption Averaging End Date, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Automatic Early Redemption Averaging, any date during the Automatic Early Redemption Averaging Period which is not a Scheduled Trading Day in respect of each Index shall be discounted; or

(ii) such number of Scheduled Trading Days as specified in the Preference Share Confirmation; or

(iii) such number of Scheduled Trading Days which are Scheduled Trading Days in respect of each Index as specified in the Preference Share Confirmation;

"**Automatic Early Redemption Averaging Start Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Automatic Early Redemption Averaging, if the originally scheduled Automatic Early Redemption Averaging Start Date is not a Scheduled Trading Day in respect of each Index, such Automatic Early Redemption Averaging Start Date shall be the next following Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Automatic Early Redemption Date**" means the date specified as such in the Preference Share Confirmation or, if such date is not a Business Day, the next following Business Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Automatic Early Redemption Event**" means, in relation to an index (or, with respect to Multi Equity Kick Out Notes with Capital at Risk Preference Shares only, in relation to the Worst Performing Index), (i) if Automatic Early Redemption Averaging is specified in the Preference Share Confirmation as being applicable, (a) that the daily arithmetic average of the official closing levels of such Index on each Automatic Early Redemption Averaging Date is greater than the Automatic Early Redemption Level specified in the Preference Share Confirmation or (b) if Valuation Time is applicable, that the daily arithmetic average of the levels of such Index as of the Valuation Time on each Automatic Early Redemption Averaging Date is greater than the Automatic Early Redemption Level specified in the Preference Share Confirmation, or (ii) otherwise, (a) that the official closing level of such Index on any Automatic Early Redemption Valuation Date is greater than the Automatic Early Redemption Level specified in the Preference Share Confirmation or (b) if Valuation Time is applicable, that the level of such Index as of the Valuation Time on any Automatic Early Redemption Valuation Date is greater than the Automatic Early Redemption Level specified in the Preference Share Confirmation;

"**Automatic Early Redemption Valuation Date**" means subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, each of the dates specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of the Automatic Early Redemption Averaging Date, if the originally scheduled Automatic Early Redemption Averaging Valuation Date is not a Scheduled Trading Day in respect of each Index, the Automatic Early Redemption Averaging Valuation Date shall be the immediately preceding Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Averaging Date**" means each of the Automatic Early Redemption Averaging Dates, the Barrier Condition Averaging Dates, the Bonus Averaging Dates, the Final Averaging Dates, the Initial Averaging Dates and each date in each Range Accrual Period;

"**Barrier**" means, in relation to an Index, the percentage of the relevant Initial Index Level specified in the Preference Share Confirmation;

"**Barrier Condition Averaging Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, as specified in the Preference Share Confirmation, either:

(i) each of the dates specified as such in the Preference Share Confirmation, or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Barrier Condition Averaging, if the originally scheduled Barrier Condition Averaging Date is not a Scheduled Trading Day in respect of each Index, such Barrier Condition Averaging Date shall be the next following Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index; or

(ii) if Barrier Condition Averaging Period is specified in the Preference Share Confirmation as being applicable, each date in the Barrier Condition Averaging Period;

"**Barrier Condition Averaging End Date**" means the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Barrier Condition Averaging, if the originally scheduled Barrier Condition Averaging End Date is not a Scheduled Trading Day in respect of each Index, the Barrier Condition Averaging End Date shall be the immediately preceding Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Barrier Condition Averaging Period**" means, as specified in the Preference Share Confirmation, either:

(i) each Scheduled Trading Day in the period from and including the Barrier Condition Averaging Start Date to and including the Barrier Condition Averaging End Date, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Automatic Early Redemption Averaging, any date during the Barrier Condition Averaging Period which is not a Scheduled Trading Day in respect of each Index shall be discounted; or

(ii) such number of Scheduled Trading Days as specified in the Preference Share Confirmation; or

(iii) such number of Scheduled Trading Days which are Scheduled Trading Days in respect of each Index as specified in the Preference Share Confirmation;

"**Barrier Condition Averaging Start Date**" means the date specified as such in the Preference Share Confirmation of, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Barrier Condition Averaging, if the originally scheduled Barrier Condition Averaging Start Date is not a Scheduled Trading Day in respect of each Index, the Barrier Condition Averaging Start Date shall be the next following Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Barrier End Date**" means the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Barrier Period**" means the period from and including the Barrier Start Date to and including the Barrier End Date;

"**Barrier Start Date**" means: (i) the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, or (ii) the Strike Date;

"**Bonus Averaging Date**" means, for each Bonus Period, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, (i) each of the dates specified as such for such Bonus Period in the Preference Share Confirmation or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day; or (ii) if Bonus Averaging Period is specified in the Preference Share Confirmation as being applicable, each Scheduled Trading Day in the Bonus Averaging Period applicable to such Bonus Period;

"**Bonus Averaging End Date**" means, for each Bonus Period, the date specified as such for such Bonus Period in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Bonus Averaging Period**" means, for each Bonus Period, the period from and including the applicable Bonus Averaging Start Date to and including the applicable Bonus Averaging End Date;

"**Bonus Averaging Start Date**" means, for each Bonus Period, the date specified as such for such Bonus Period in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Bonus End Date**" means, for each Bonus Period, each of the dates specified as such for such Bonus Period in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Bonus Level**" means the percentage specified as such in the Preference Share Confirmation for the relevant Bonus Period;

"**Bonus Period**" means each period from and including a Bonus Start Date to and including the immediately following Bonus End Date;

"**Bonus Return**" means, if applicable, the percentage specified in the Preference Share Confirmation as being applicable to such Bonus Period;

"**Bonus Start Date**" means, for each Bonus Period, each of the dates specified for such Bonus Period in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Cap**" means, if applicable, the percentage specified as such in the Preference Share Confirmation;

"**Digital Return**" means, if applicable, the percentage specified as such in the Preference Share Confirmation;

"**Final Averaging Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, as specified in the Preference Share Confirmation, either:

(i) each of the dates specified as such in the Preference Share Confirmation, or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Final Averaging, if the originally scheduled Final Averaging Date is not a Scheduled Trading Day in respect of each Index, such Final Averaging Date shall be the next following Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index; or

(ii) if Final Averaging Period is specified in the Preference Share Confirmation as being applicable, each date in the Final Averaging Period;

"**Final Averaging End Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Final Averaging, if the originally scheduled Final Averaging End Date is not a Scheduled Trading Day in respect of each Index, such Final Averaging End Date shall be the immediately preceding Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Final Averaging Period**" means, as specified in the Preference Share Confirmation, either:

(i) each Scheduled Trading Day in the period from and including the Final Averaging Start Date to and including the Final Averaging End Date, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Final Averaging, any date during the Final Averaging Period which is not a Scheduled Trading Day in respect of each Index shall be discounted; or

(ii) such number of Scheduled Trading Days as specified in the Preference Share Confirmation; or

(iii) such number of Scheduled Trading Days which are Scheduled Trading Days in respect of each Index as specified in the Preference Share Confirmation;

"**Final Averaging Start Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of Final Averaging, if the originally scheduled Final Averaging Start Date is not a Scheduled Trading Day in respect of each Index, such Final Averaging Start Date shall be the next following Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Final Index Level**" or "**FIL**" means: (i) if Final Averaging is applicable, (a) the daily arithmetic average of the official closing levels of the Index on each Final Averaging Date or (b) if Valuation Time is applicable, the daily arithmetic average of the levels of the Index as of the Valuation Time on each Final Averaging Date, or (ii) otherwise, (a) the official closing level of the Index on the Final Redemption Valuation Date or (b) if Valuation Time is applicable, the level of the index as of the Valuation Time on the Final Redemption Valuation Date;

"**Final Redemption Date**" means the date specified as such in the Preference Share Confirmation or, if such date is not a Business Day, the next following Business Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares and/or (if applicable) paragraph 3 (Final Redemption Date Extension) of the additional terms and conditions of Credit Linked Preference Shares;

"**Final Redemption Valuation Date**" means the date specified as such in the Preference Share Confirmation, *provided that* if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day shall be the Final Redemption Valuation Date provided, however, that if Additional Scheduled Trading Day Provisions are specified in the Preference Share Confirmation as being applicable in respect of the Final Redemption Valuation Date, if the originally scheduled Final Redemption Valuation Date is not a Scheduled Trading Day in respect of each Index, the Final Redemption Valuation Date shall be the immediately preceding Scheduled Trading Day which is a Scheduled Trading Day in respect of each Index;

"**Gearing**" means, if applicable, the percentage specified as such in the Preference Share Confirmation;

"**Gearing 1**" means, if applicable, the percentage specified as such in the Preference Share Confirmation;

"**Gearing 2**" means, if applicable, the percentage specified as such in the Preference Share Confirmation;

"**Initial Averaging Date**" means, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares, (i) each of the dates specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day; or (ii) if Initial Averaging Period is specified in the Preference Share Confirmation as being applicable, each Scheduled Trading Day in the Initial Averaging Period;

"**Initial Averaging Period**" means the period from and including the Initial Averaging Start Date to and including the Initial Averaging End Date;

"**Initial Averaging Start Date**" means the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Initial Averaging End Date**" means the date specified as such in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Initial Index Level**" or "**IIL**" means (i) if Initial Averaging is applicable, (a) the daily arithmetic average of the official closing levels of the Index on each Initial Averaging Date or (b) if Valuation Time is applicable, the daily arithmetic average of the levels of the Index as of the Valuation Time on each Initial Averaging Date, (ii) if Best Strike is applicable, (a) the highest closing level of the Index for each Scheduled Trading Day in the period from and including the Strike Start Date to and including the Strike End Date or (b) if Valuation Time is applicable, the highest closing level of the Index as of the Valuation Time for each Scheduled Trading Day in the period from and including the Strike Start Date to and including the Strike End Date, or (iii) otherwise, (a) the official closing level of the Index on the Strike Date or (b) if Valuation Time is applicable, the level of the Index as of the Valuation Time on the Strike Date;

"**Issue Price**" means the issue price of one Preference Share as specified in the Preference Share Confirmation;

"**Kick Out Cap**" means, if applicable, the percentage specified as such in the Preference Share Confirmation;

"**Kick Out Gearing**" means, if applicable, the percentage specified as such in the Preference Share Confirmation;

"**Kick Out Index Level**" or "**KIL**" means, in relation to an Index, (i) if Automatic Early Redemption Averaging is specified in the Preference Share Confirmation as being applicable, (a) the daily arithmetic average of the official closing levels of such Index on each Automatic Early Redemption Averaging Date or (b) if Valuation Time is specified in the Preference Share Confirmation as being applicable, the daily arithmetic average of the levels of such Index as of the Valuation Time on each Automatic Early Redemption Averaging Date or (ii) otherwise, (a) the official closing level of such Index on any Automatic Early Redemption Valuation Date or (b) if Valuation Time specified in the Preference Share Confirmation as being applicable, the level of such Index as of the Valuation Time on any Automatic Early Redemption Valuation Date;

"**Kick Out Upside Return Threshold**" or "**KURT**" means, if applicable, the percentage of the Initial Index Level specified as such in the Preference Share Confirmation;

"**Lower Strike**" means the percentage specified as such in the Preference Share Confirmation;

"**N**" means (i) if Bonus Averaging is applicable, the number of Bonus Periods for which (a) the daily arithmetic average of the closing levels of the Index on each applicable Bonus Averaging Date is greater than the Bonus Level or (b) if Valuation Time is applicable, daily arithmetic average of the levels of the Index as of the Valuation Time on each applicable Bonus Averaging Date is greater than the Bonus Level, or (ii) otherwise, the number of Bonus Periods for which (a) the official closing level of the Index on the applicable Bonus End Date is greater than the Bonus Level or (b) if Valuation Time is applicable, the level of the Index as of the Valuation Time on the applicable Bonus End Date is greater than the Bonus Level;

"**NDIP**" means the number of Scheduled Trading Days in the Range Accrual Period;

"**NDIR**" means the number of Scheduled Trading Days in the Range Accrual Period where (a) the official closing level of the Index is less than the applicable Range Upper Level and greater than the applicable Range Lower Level or (b) if Valuation Time is applicable, the level of the Index as of the Valuation Time is less than the Range Upper Level and greater than the Range Lower Level;

"**Range Accrual Period**" means each period from and including a Range Accrual Start Date to and including the next following Range Accrual End Date;

"**Range Accrual End Date**" means, for each Range Accrual Period, the date specified as such for such Range Accrual Period in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Range Accrual Start Date**" means, for each Range Accrual Period, the date specified as such for such Range Accrual Period in the Preference Share Confirmation or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to adjustment in accordance with paragraph 2 (*Disrupted Days*) of the additional terms and conditions of the Preference Shares;

"**Range Lower Level**" means the percentage specified as such in the Preference Share Confirmation for the relevant Range Accrual Period;

"**Range Upper Level**" means the percentage specified as such in the Preference Share Confirmation for the relevant Range Accrual Period;

"**Return Threshold**" means the percentage of the Initial Index Level specified as such in the Preference Share Confirmation;

"**Trigger Event**" means, in relation to an Index, the determination by the Preference Share Calculation Agent that (as specified for Barrier Observation in such Preference Share Confirmation) (i) the level of such Index falls below the applicable Barrier (a) at any given time, (b) as of the Valuation Time on any Exchange Business Day during the Barrier Period (c) as of the official close of business on any Exchange Business Day during the Barrier Period or (d) as of the Valuation Time on the date specified in the Preference Share Confirmation; or (ii) if Barrier Condition Averaging is specified in the Preference Share Confirmation, the arithmetic average of the levels of such Index (a) at the Valuation Time on each Barrier Condition Averaging Date or (b) at the official close of business on each Barrier Condition Averaging Date;

"**Upper Strike**" means the percentage specified as such in the Preference Share Confirmation;

"**Upside Return Threshold**" or "**URT**" means, if applicable, the percentage of the Initial Index Level specified as such in the Preference Share Confirmation; and

"**Worst Performing Index**" on any day, or in respect of any period, and in respect of more than one Index, the Index for which the level of the Index divided by Initial Index Level for such Index is lowest (and the Final Index Level and Initial Index Level of such Index being "FIL_{WP}" and "IIL_{WP}" respectively).

1. **Upside Notes with Capital At Risk Preference Share Redemption Provisions**

The terms of the Preference Share Redemption Provisions for the Upside Notes with Capital at Risk Preference Shares will be as follows:

Unless previously redeemed or repurchased in accordance with the terms and conditions of the Preference Shares, the Redemption Price payable by the Company in respect of each Preference Share on its Final Redemption Date shall be an amount in the Preference Share Currency determined by the Preference Share Calculation Agent in accordance with the applicable formula, as follows:

(1) where Barrier is specified as applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold:

(i) if Digital Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

Issue Price x Digital Return

OR

(ii) if Upside Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left[100\% + \text{Max}\left\{0, \text{Min}\left(\text{Cap}, \text{Gearing1 x } \frac{(\text{FIL} - \text{IIL})}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Cap and/or Gearing 1 are specified as being not applicable in the Preference Share Confirmation and Final Terms, the Cap shall be unlimited and/or Gearing 1 shall be deemed to be 100%, as applicable)

(b) if (i) a Trigger Event has not occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{IssuePrice} \times 100\%$$

(c) if (i) a Trigger Event has occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold, either:

(x) if Downside Return 1 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price } \times \left(100\% + Min\left(0, \text{Max}\left[\text{Gearing2 x}\left(\frac{(\text{FIL - IIL})}{\text{IIL}}\right), -100\%\right]\right)\right)$$

OR

(y) if Downside Return 2 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{IssuePrice } \times \left(100\% + \text{Min}\left(0\%, \text{Max}\left[\text{Gearing 2 x (Lower Strike - Upper Strike), Gearing 2 x}\left(\frac{\text{FIL}}{\text{IIL}} - \text{UpperStrike}\right), -100\%\right]\right)\right)$$

(please note that if Gearing 2 is specified as being not applicable in the Preference Share Confirmation and Final Terms, Gearing 2 shall be deemed to be 100%)

(2) where Barrier is specified as not applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold:

(i) if Digital Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

Issue Price x Digital Return

OR

(ii) if Upside Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left[100\% + \text{Max}\left\{0, \text{Min}\left(\text{Cap}, \text{Gearing 1} \times \frac{(\text{FIL} - \text{IIL})}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Cap and/or Gearing 1 are specified as being not applicable in the Preference Share Confirmation and Final Terms, the Cap shall be unlimited and/or Gearing 1 shall be deemed to be 100%, as applicable)

(b) if the Final Index Level is less than or equal to the Return Threshold either:

(i) if Downside Return 1 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left(100\% + \text{Min}\left(0, \text{Max}\left[\text{Gearing2 x}\left(\frac{(\text{FIL} - \text{IIL})}{\text{IIL}}\right), -100\%\right]\right)\right)$$

OR

(ii) if Downside Return 2 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{IssuePrice} \times \left(100\% + \text{Min}\left(0\%, \text{Max}\left[\text{Gearing 2 x (Lower Strike - Upper Strike), Gearing 2 x}\left(\frac{\text{FIL}}{\text{IIL}} - \text{UpperStrike}\right), -100\%\right]\right)\right)$$

(please note that if Gearing 2 is specified as being not applicable in the Preference Share Confirmation and Final Terms, Gearing 2 shall be deemed to be 100%)

2. **Upside Plus Notes with Capital At Risk Preference Share Redemption Provisions**

The terms of the Preference Share Redemption Provisions for the Upside Plus Notes with Capital at Risk Preference Shares will be as follows:

Unless previously redeemed or repurchased in accordance with the terms and conditions of the Preference Shares, the Redemption Price payable by the Company in respect of each Preference Share on its Final Redemption Date shall be an amount in the Preference Share Currency determined by the Preference Share Calculation Agent in accordance with the applicable formula, as follows:

(1) where Barrier is specified as applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold but less than or equal to the Upside Return Threshold:

Issue Price x Digital Return

(b) if the Final Index Level is greater than the Return Threshold and greater than the Upside Return Threshold:

Issue Price x Digital Return

PLUS

$$\text{Issue Price} \times \left[\text{Max}\left\{0, \text{Min}\left(\text{Cap}, \text{Gearing1} \times \frac{\text{FIL} - \text{URT}}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Cap and/or Gearing 1 are specified as being not applicable in the Preference Share Confirmation and Final Terms, the Cap shall be unlimited and/or Gearing 1 shall be deemed to be 100%, as applicable)

(c) if (i) a Trigger Event has not occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times 100\%$$

(d) if (i) a Trigger Event has occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold, either:

(x) if Downside Return 1 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left(100\% + \text{Min}\left(0, \text{Max}\left[\text{Gearing2 x}\left(\frac{(\text{FIL - IIL})}{\text{IIL}}\right), -100\%\right]\right)\right)$$

OR

(y) if Downside Return 2 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{IssuePrice} \times \left(100\% + \text{Min}\left(0\%, \text{Max}\left[\text{Gearing 2 x (Lower Strike - Upper Strike)}, \text{Gearing 2 x}\left(\frac{\text{FIL}}{\text{IIL}} - \text{UpperStrike}\right), -100\%\right]\right)\right)$$

(please note that if Gearing 2 is specified as being not applicable in the Preference Share Confirmation and Final Terms, Gearing 2 shall be deemed to be 100%)

(2) where Barrier is specified as not applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold but less than or equal to the Upside Return Threshold:

Issue Price x Digital Return

(b) if the Final Index Level is greater than the Return Threshold and greater than the Upside Return Threshold:

Issue Price x Digital Return

PLUS

$$\text{Issue Price} \times \left[\text{Max}\left\{0,\text{Min}\left(\text{Cap},\text{Gearing1} \times \frac{\text{FIL} - \text{URT}}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Cap and/or Gearing 1 are specified as being not applicable in the Preference Share Confirmation and Final Terms, the Cap shall be unlimited and/or Gearing 1 shall be deemed to be 100%, as applicable)

(b) if the Final Index Level is less than or equal to the Return Threshold either:

(i) if Downside Return 1 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left(100\% + \text{Min}\left(0,\text{Max}\left[\text{Gearing2 x}\left(\frac{(\text{FIL - IIL})}{\text{IIL}}\right), -100\%\right]\right)\right)$$

OR

(ii) if Downside Return 2 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{IssuePrice} \times \left(100\% + \text{Min}\left(0\%,\text{Max}\left[\text{Gearing 2 x (Lower Strike - Upper Strike)},\text{Gearing 2 x}\left(\frac{\text{FIL}}{\text{IIL}} - \text{UpperStrike}\right), -100\%\right]\right)\right)$$

(please note that if Gearing 2 is specified as being not applicable in the Preference Share Confirmation and Final Terms, Gearing 2 shall be deemed to be 100%)

3. **Kick Out Upside Plus Notes with Capital At Risk Preference Share Redemption Provisions**

The terms of the Preference Share Redemption Provisions for the Kick Out Upside Plus Notes with Capital at Risk Preference Shares will be as follows:

Automatic Early Redemption Amount

If an Automatic Early Redemption Event occurs, the Preference Shares shall be redeemed at the Redemption Price in respect of each Preference Share, which shall be equal to:

(a) if the Kick Out Index Level is greater than the Kick Out Upside Return Threshold, the sum of:

the Automatic Early Redemption Amount in respect of such Preference Share

PLUS

$$\text{Issue Price} \times \left[\text{Max}\left\{0,\text{Min}\left(\text{Kick Out Cap},\text{Kick Out Gearing} \times \frac{\text{KIL} - \text{KURT}}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Kick Out Cap and/or Kick Out Gearing are specified as being not applicable in the Preference Share Confirmation and Final Terms, the

Kick Out Cap shall be unlimited and/or the Kick Out Gearing shall be deemed to be 100%, as applicable)

(b) if the Kick Out Index Level is less than or equal to the Kick Out Upside Return Threshold, the Automatic Early Redemption Amount in respect of such Preference Share.

The Redemption Price and shall become payable by the Company on the immediately following Automatic Early Redemption Date.

Redemption Price at Maturity

Unless previously redeemed or repurchased in accordance with the terms and conditions of the Preference Shares, the Redemption Price payable by the Company in respect of each Preference Share on its Final Redemption Date shall be an amount in the Preference Share Currency determined by the Preference Share Calculation Agent in accordance with the applicable formula, as follows:

(1) where Barrier is specified as applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold but less than or equal to the Upside Return Threshold:

Issue Price x Digital Return

(b) if the Final Index Level is greater than the Return Threshold and greater than the Upside Return Threshold:

Issue Price x Digital Return

PLUS

$$\text{Issue Price} \times \left[\text{Max}\left\{0, \text{Min}\left(\text{Cap}, \text{Gearing1} \times \frac{\text{FIL} - \text{URT}}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Cap and/or Gearing 1 are specified as being not applicable in the Preference Share Confirmation and Final Terms, the Cap shall be unlimited and/or Gearing 1 shall be deemed to be 100%, as applicable)

(c) if (i) a Trigger Event has not occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times 100\%$$

(d) if (i) a Trigger Event has occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold, either:

(x) if Downside Return 1 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left(100\% + \text{Min}\left(0, \text{Max}\left[\text{Gearing2 x}\left(\frac{(\text{FIL - IIL})}{\text{IIL}}\right), -100\%\right]\right)\right)$$

OR

(y) if Downside Return 2 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{IssuePrice} \times \left(100\% + \text{Min}\left(0\%, \text{Max}\left[\text{Gearing 2 x (Lower Strike - Upper Strike)}, \text{Gearing 2 x}\left(\frac{\text{FIL}}{\text{IIL}} - \text{UpperStrike}\right), -100\%\right]\right)\right)$$

(please note that if Gearing 2 is specified as being not applicable in the Preference Share Confirmation and Final Terms, Gearing 2 shall be deemed to be 100%)

(2) where Barrier is specified as not applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold but less than or equal to the Upside Return Threshold:

Issue Price x Digital Return

(b) if the Final Index Level is greater than the Return Threshold and greater than the Upside Return Threshold:

Issue Price x Digital Return

PLUS

$$\text{Issue Price} \times \left[\text{Max}\left\{0, \text{Min}\left(\text{Cap}, \text{Gearing1} \times \frac{\text{FIL} - \text{URT}}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Cap and/or Gearing 1 are specified as being not applicable in the Preference Share Confirmation and Final Terms, the Cap shall be unlimited and/or Gearing 1 shall be deemed to be 100%, as applicable)

(b) if the Final Index Level is less than or equal to the Return Threshold either:

(i) if Downside Return 1 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left(100\% + \text{Min}\left(0, \text{Max}\left[\text{Gearing2 x}\left(\frac{(\text{FIL - IIL})}{\text{IIL}}\right), -100\%\right]\right)\right)$$

OR

(ii) if Downside Return 2 is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{IssuePrice} \times \left(100\% + \text{Min}\left(0\%, \text{Max}\left[\text{Gearing 2 x (Lower Strike - Upper Strike)}, \text{Gearing 2 x}\left(\frac{\text{FIL}}{\text{IIL}} - \text{UpperStrike}\right), -100\%\right]\right)\right)$$

(please note that if Gearing 2 is specified as being not applicable in the Preference Share Confirmation and Final Terms, Gearing 2 shall be deemed to be 100%)

4. **Kick Out Notes with Capital at Risk Preference Share Redemption Provisions**

The terms of the Preference Share Redemption Provisions for the Kick Out Notes with Capital at Risk Preference Shares will be as follows:

Automatic Early Redemption Amount

If an Automatic Early Redemption Event occurs, the Preference Shares shall be redeemed and the Redemption Price in respect of each Preference Share shall be equal to the Automatic Early Redemption Amount in respect of each Preference Share and shall become payable by the Company on the immediately following Automatic Early Redemption Date.

Redemption Price at Maturity

Unless previously redeemed or repurchased in accordance with the terms and conditions of the Preference Shares, the Redemption Price payable by the Company in respect of each Preference Share on its Final Redemption Date shall be an amount in the Preference Share Currency determined by the Preference Share Calculation Agent in accordance with the applicable formula, as follows:

(1) where Barrier is specified as applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold, either:

(i) if Digital Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

Issue Price x Digital Return

OR

(ii) if Upside Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left[100\% + \text{Max}\left\{0, \text{Min}\left(\text{Cap}, \text{Gearing x } \frac{(\text{FIL} - \text{IIL})}{\text{IIL}}\right)\right\}\right]$$

(please note that if the Cap and/or Gearing are specified as being not applicable in the Preference Share Confirmation and Final Terms, the Cap shall be unlimited and/or the Gearing shall be deemed to be 100%, as applicable)

(b) if (i) a Trigger Event has not occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times 100\%$$

(c) if (i) a Trigger Event has occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times \frac{\text{FIL}}{\text{IIL}}$$

(2) where Barrier is specified as not applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold:

(i) if Digital Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

Issue Price x Digital Return

OR

(ii) if Upside Return is specified as being applicable in the Preference Share Confirmation and Final Terms:

$$\text{Issue Price} \times \left[100\% + \text{Max}\left\{0, \text{Min}\left(\text{Cap}, \text{Gearing x } \frac{(\text{FIL} - \text{IIL})}{\text{IIL}}\right)\right\}\right]$$

(b) if the Final Index Level is less than or equal to the Redemption Threshold:

$$\text{Issue Price} \times \frac{\text{FIL}}{\text{IIL}}$$

5. **Multi Equity Kick Out Notes with Capital at Risk Preference Share Redemption Provisions**

The terms of the Preference Share Redemption Provisions for the Multi Equity Kick Out Notes with Capital at Risk Preference Shares will be as follows:

Automatic Early Redemption Amount

If an Automatic Early Redemption Event occurs, the Preference Shares shall be redeemed and the Redemption Price in respect of each Preference Share shall be equal to the Automatic Early Redemption Amount in respect of each Preference Share and shall become payable by the Company on the immediately following Automatic Early Redemption Date.

Redemption Price at Maturity

Unless previously redeemed or repurchased in accordance with the terms and conditions of the Preference Shares, the Redemption Price payable by the Company in respect of each Preference Share on its Final Redemption Date shall be an amount in the Preference Share Currency determined by the Preference Share Calculation Agent in accordance with the applicable formula, as follows:

(1) where Barrier is specified as applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level of the Worst Performing Index is greater than the Return Threshold for the Worst Performing Index:

Issue Price x Digital Return

(b) if (i) a Trigger Event for any Index has not occurred, and (ii) the Final Index Level of the Worst Performing Index is less than or equal to the Return Threshold for the Worst Performing Index:

$$\text{Issue Price} \times 100\%$$

(c) if (i) a Trigger Event for any Index has occurred, and (ii) the Final Index Level for the Worst Performing Index is less than or equal to the Return Threshold for the Worst Performing Index:

$$\text{Issue Price x } \frac{FIL_{WP}}{IIL_{WP}}$$

(2) where Barrier is specified as not applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level of the Worst Performing Index is greater than the Return Threshold for the Worst Performing Index:

Issue Price x Digital Return

(b) if the Final Index Level of the Worst Performing Index is less than or equal to the Return Threshold for the Worst Performing Index:

$$\text{Issue Price x } \frac{FIL_{WP}}{IIL_{WP}}$$

6. **N Barrier Equity Linked Notes (Accumulation) with Capital at Risk Preference Share Redemption Provisions**

The terms of the Preference Share Redemption Provisions for the N Barrier Equity Linked Notes (Accumulation) with Capital at Risk Preference Shares will be as follows:

Unless previously redeemed or repurchased in accordance with the terms and conditions of the Preference Shares, the Redemption Price payable by the Company in respect of each Preference Share on its Final Redemption Date shall be an amount in Preference Share Currency determined by the Preference Share Calculation Agent in accordance with the applicable formula as follows:

(1) where Barrier is specified as applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold:

$$\text{Issue Price} \times [\text{Digital Return} + \text{Bonus Return x N}]$$

(b) if (i) a Trigger Event has not occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times [100\% + \text{Bonus Return x N}]$$

(c) if (i) a Trigger Event has occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times \left[\frac{FIL}{IIL} + \text{Bonus Return} \times N\right]$$

(2) where Barrier is specified as not applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold:

$$\text{Issue Price} \times [\text{Digital Return} + \text{Bonus Return} \times N]$$

(b) if the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times \left[\frac{\text{FIL}}{\text{IIL}} + \text{BonusReturn} \times \text{N} \right]$$

7. **Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk Preference Share Redemption Provisions**

The terms of the Preference Share Redemption Provisions for the Range Accrual Equity Linked Notes (Accumulation) with Capital at Risk Preference Shares will be as follows:

Unless previously redeemed or repurchased in accordance with the terms and conditions of the Preference Shares, the Redemption Price payable by the Company in respect of each Preference Share on its Final Redemption Date shall be an amount in the Preference Share Currency determined by the Preference Share Calculation Agent in accordance with the applicable following formula as follows:

(1) where Barrier is specified as applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold:

$$\text{Issue Price} \times \left[\text{DigitalReturn} + \sum_{i} \text{BonusReturn i x } \frac{\text{NDIRi}}{\text{NDIPi}} \right]$$

(b) if (i) a Trigger Event has not occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times \left[100\% + \sum_{i} \text{BonusReturn i x } \frac{\text{NDIRi}}{\text{NDIPi}} \right]$$

(c) if (i) a Trigger Event has occurred, and (ii) the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times \left[\frac{\text{FIL}}{\text{IIL}} + \sum_{i} \text{BonusReturn i x } \frac{\text{NDIRi}}{\text{NDIPi}} \right]$$

(2) where Barrier is specified as not applicable in the Preference Share Confirmation and Final Terms:

(a) if the Final Index Level is greater than the Return Threshold:

$$\text{Issue Price} \times \left[\text{DigitalReturn} + \sum_{i} \text{BonusReturn i x } \frac{\text{NDIRi}}{\text{NDIPi}} \right]$$

(b) if the Final Index Level is less than or equal to the Return Threshold:

$$\text{Issue Price} \times \left[\frac{\text{FIL}}{\text{IIL}} + \sum_{i} \text{BonusReturn i x } \frac{\text{NDIRi}}{\text{NDIPi}} \right]$$

ADDITIONAL PROVISIONS NOT REQUIRED BY THE SECURITIES NOTE RELATING TO THE UNDERLYING

DISCLAIMER STATEMENTS

STATEMENTS REGARDING THE REFERENCE ENTITY

The Reference Entity has not sponsored or endorsed the Preference Shares, the Notes or the related plan in any way, nor has it undertaken any obligation to perform any regulated activity in relation to the Preference Shares, the Notes or the related plan.

INDEX DISCLAIMERS (FOR PREFERENCE SHARES LINKED TO AN INDEX OR BASKET OF INDICES)

The Preference Shares are not sponsored, endorsed, sold or promoted by the Index or the Index Sponsor and the Index Sponsor has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. The Index Sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Preference Shares. Neither the Company nor the Preference Share Calculation Agent shall have any liability to any person for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Neither the Company nor the Preference Share Calculation Agent has any affiliation with or control over the Index or the Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Company and the Preference Share Calculation Agent will obtain information concerning the Index from publicly available sources they believe to be reliable, they will not independently verify this information.

STATEMENTS REGARDING THE FTSE™ 100 INDEX

The Preference Shares are not sponsored, endorsed or promoted by the FTSE ("**FTSE**") or by The London Stock Exchange plc (the "**Exchange**") or by The Financial Times Limited ("**FT**") and neither FTSE or Exchange or FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE™ 100 Index (the "**Index**") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated solely by FTSE. However, neither FTSE or Exchange or FT shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE or Exchange or FT shall be under any obligation to advise any person of any error therein.

"FTSE™" and "Footsie™" are trade marks of The London Stock Exchange plc and The Financial Times Limited and are used by FTSE International Limited under licence.

(Source: The Financial Times Limited)

STATEMENTS REGARDING THE S&P 500® INDEX

NEITHER S&P, ITS AFFILIATES NOR THEIR THIRD PARTY LICENSORS GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN OR ANY COMMUNICATIONS, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATIONS (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P, ITS AFFILIATES AND THEIR THIRD PARTY LICENSORS SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS OR DELAYS THEREIN. S&P MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE MARKS, THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P, ITS AFFILIATES OR THEIR THIRD PARTY LICENSORS BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL,

PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE.

The S&P 500® is a trademark of Standard & Poor's and has been licensed for use by Investec Bank plc and Zebra Capital II Limited.

(Source: Standard & Poor's)

STATEMENTS REGARDING THE EURO STOXX®50 INDEX

The following statement is required by the licensor of the Euro STOXX® 50 Index:

STOXX and its licensors (the "**Licensors**") have no relationship to Investec Bank plc or Zebra Capital II Limited other than the licensing of the Euro STOXX® 50 Index and the related trademarks for use in connection with the Preference Shares.

STOXX and its Licensors do *not*:

- sponsor, endorse, sell or promote the Preference Shares or the Notes;
- recommend that any person invest in the Preference Shares or the Notes or any other securities;
- have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Preference Shares or the Notes;
- have any responsibility or liability for the administration, management or marketing of the Preference Shares or the Notes;
- consider the needs of the Preference Shares or the Notes or the owners of the Preference Shares or the Notes in determining, composing or calculating the Euro STOXX® 50 Index or have any obligation to do so.

STOXX and its Licensors will not have any liability in connection with the Preference Shares or the Notes. Specifically,

- STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:
  - the results to be obtained by the Preference Shares or the Notes, the owner of the Preference Shares or the Notes or any other person in connection with the use of the Euro STOXX® 50 Index, and the data included in the Euro STOXX® 50 Index;
  - the accuracy or completeness of the Euro STOXX® 50 Index and its data;
  - the merchantability and the fitness for a particular purpose or use of the Euro STOXX® 50 Index and its data;
- STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the Euro STOXX® 50 Index or its data; and
- under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.

The licensing agreement between Investec Bank plc and STOXX is solely for their benefit and not for the benefit of the owners of the Preference Shares or the Notes or any other third parties.

(Source: STOXX)

STATEMENTS REGARDING THE MSCI EMERGING MARKETS INDEX

The Preference Shares are not sponsored, endorsed, sold or promoted by MSCI inc. ("**MSCI**"), any affiliate of MSCI or any other party involved in, or related to, making or compiling any MSCI Index. The MSCI Indexes are the exclusive property of MSCI and the MSCI Index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by Investec Bank plc. Neither MSCI any of its affiliates nor any other party involved in, or related to, making or compiling any MSCI Index makes any representation or warranty, express or implied, to the owners of this financial product or any member of the public regarding the advisability of investing in financial securities generally or in this financial product particularly or the ability of any MSCI Index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI Indexes which are determined, composed and calculated by MSCI without regard to this financial product or the issuer or owner of this financial product. Neither MSCI, any of its affiliates nor any other party involved in, or related to, making or compiling any MSCI Index has any obligation to take the needs of the issuers or owners of this financial product into consideration in determining, composing or calculating the MSCI Indexes. Neither MSCI, its affiliates nor any other party involved in, or related to, making or compiling any MSCI Index is responsible for or has participated in the determination of the timing of, prices at, or quantities of this financial product to be issued or in the determination or calculation of the equation by which this financial product is redeemable for cash. Neither MSCI any of its affiliates nor any other party involved in, or related to, the making or compiling any MSCI Index has any obligation or liability to the owners of this financial product in connection with the administration, marketing or offering of this financial product. Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI Indexes from sources which MSCI considers reliable, neither MSCI any of its affiliates nor any other party involved in, or related to making or compiling any MSCI Index warrants or guarantees the originality, accuracy and/or the completeness of any MSCI Index or any data included therein. Neither MSCI, any of its affiliates nor any other party involved in, or related to, making or compiling any MSCI Index makes any warranty, express or implied, as to results to be obtained by licensee, licensee's customers or counterparties, issuers of the financial securities, owners of the financial securities, or any other person or entity, from the use of any MSCI Index or any data included therein in connection with the rights licensed hereunder or for any other use. Neither MSCI, any of its affiliates nor any other party involved in, or related to, making or compiling any MSCI Index shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI Index or any data included therein. Further, neither MSCI, any of its affiliates nor any other party involved in, or related to, making or compiling any MSCI Index makes any express or implied warranties of any kind, and MSCI, any of its affiliates and any other party involved in, or related to making or compiling any MSCI Index hereby expressly disclaim all warranties of merchantability or fitness for a particular purpose, with respect to any MSCI Index and any data included therein. Without limiting any of the forgoing, in no event shall MSCI, any of its affiliates or any other party involved in, or related to, making or compiling any MSCI Index have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of the Preference Shares, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this product without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

(Source: MSCI Inc.)

[STATEMENTS REGARDING THE HANG SENG CHINA ENTERPRISES (HSCEI) INDEX]

"The Hang Seng China Enterprises Index (for the purpose of this section, the "**Index**") is published and compiled by HSI Services Limited pursuant to a license from Hang Seng Data Services Limited. The mark and name "Hang Seng China Enterprises Index" ("**HSCEI**") is proprietary to Hang Seng Data Services Limited. HSI Services Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Index by Investec Bank plc in connection with the Preference Shares referencing the Index (for the purpose of this section, the "**Product**"), **BUT NEITHER HSI SERVICES LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF THE INDEX AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE INDEX IS GIVEN OR MAY BE IMPLIED**. The process and basis of computation and compilation of the Index and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSI Services Limited without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HSI SERVICES LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE INDEX BY INVESTEC BANK PLC IN CONNECTION WITH THE PRODUCT; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HSI SERVICES LIMITED IN THE COMPUTATION OF THE INDEX; OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE INDEX WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON DEALING WITH THE PRODUCT AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HSI SERVICES LIMITED AND/OR HANG SENG DATA SERVICES LIMITED** in connection with the Product in any manner whatsoever by any broker, holder or other person dealing with the Product. Any broker, holder or other person dealing with the Product does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on HSI Services Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and HSI Services Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship."

(***Source: Hang Seng Indexes Company Limited and Hang Seng Data Services Limited***)

[STATEMENTS REGARDING THE JSE TOP40 INDEX]

Neither the Notes nor the Preference Shares are in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("**FTSE**"), the London Stock Exchange Group companies ("**LSEG**") or JSE Limited ("**JSE**") (collectively the "**Licensor Parties**") and none of the Licensor Parties make any warranty or representation whatsoever, expressly or implied/y, either as to the results to be obtained from the use of the [NAME OF FTSE/JSE INDEX] (the "**Index**") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE in conjunction with the JSE. None of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

"FTSE®" is a trade mark of LSEG, "JSE" is a trade mark of the JSE and both are used by FTSE under licence.]

[STATEMENTS REGARDING THE DEUTSCHER AKTIEN INDEX (DAX)]

Neither the Notes nor Preference Shares are sponsored or promoted, distributed or in any other manner supported by Deutsche Börse AG (the "**DBAG**"). DBAG does not give any explicit or implicit warranty or representation, neither regarding the results deriving from the use of the DAX® Index, its underlying index data and/or the index trademark nor regarding the DAX® Index value at a certain point in time or on a certain date nor in any other respect. The DAX® Index and its underlying Index Data are calculated and published by DBAG. Nevertheless, as far as admissible under statutory law DBAG will not be liable vis-à-vis third parties for potential errors in the DAX® Index or its underlying index data. Moreover, there is no obligation for DBAG vis-à-vis third parties, including investors, to point out potential errors in the DAX® Index. Neither the publication of the DAX® Index by DBAG nor the granting of any right to use the DAX® Index, its underlying index data as well as the index trademark for the utilization in connection with the financial instrument or other securities or financial products, which derived from the DAX® Index, represents a recommendation by DBAG for a capital investment or contains in any manner a warranty or opinion by DBAG with respect to the attractiveness on an investment in the Notes or the Preference Shares.

In its capacity as sole owner of all rights to the DAX® Index, its underlying index data, and the index trademark DBAG has solely granted to the Issuer the utilization of the index data and the index trademark as well as any reference to the index data and the index trademark in connection with the Notes or the Preference Shares.

"DAX®" is a registered trademark of Deutsche Börse AG and has been licensed for use by the Issuer. Neither the Notes nor the Preference Shares are sponsored, endorsed, sold or promoted by Deutsche Börse and Deutsche Börse makes no representation regarding the advisability of investing in the Notes or the Preference Shares.

[STATEMENTS REGARDING THE S&P/ASX 200 (AS51) INDEX]

"Standard & Poor's®", "S&P®", are trademarks of Standard & Poor's Financial Services LLC ("**S&P**"); Dow Jones® is a registered trade mark of Dow Jones trademark Holdings LLC ("**Dow Jones**"); and these trademarks have been licensed for use by S&P Dow Jones Indices LLC. "Standard & Poor's®", "S&P®" are trademarks of S&P and have been licensed for use by S&P Dow Jones Indices LLC and its affiliates and sublicensed for certain purposes by Investec Bank plc. Dow Jones® is a trademark of Dow Jones and have been licensed for use by S&P Dow Jones Indices LLC and its affiliates and sublicensed for certain purposes by Investec Bank plc. The S&P ASX Index to which the Preference Shares referred (for the purpose of this section, the "**Index**") is a product of S&P Dow Jones Indices LLC and/or Australian Securities Exchange ("**ASX**") and has been licensed for use by Investec Bank plc. The Preference Shares referencing the Index (for the purpose of this section, the "**Products**") are not sponsored, endorsed, sold or promoted by S&P Dow Jones Indices LLC, Dow Jones, S&P, any of their respective affiliates (collectively, "**S&P Dow Jones Indices**") or ASX. Neither S&P Dow Jones Indices nor ASX makes any representation or warranty, express or implied, to the owners of Investec Bank plc's Notes or any member of the public regarding the advisability of investing in securities generally or in Investec Bank plc's Notes particularly or the ability of the Index to track general market performance. S&P Dow Jones Indices' and ASX's only relationship to Investec Bank plc and Zebra Capital II Limited with respect to the Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or ASX. The Index is determined, composed and calculated by S&P Dow Jones Indices and/or ASX without regard to Investec Bank plc or Investec Bank plc's Notes. S&P Dow Jones Indices and ASX have no obligation to take the needs of Investec Bank plc or the owners of Investec Bank plc's Products into consideration in determining, composing or calculating the Index. Neither S&P Dow Jones Indices nor ASX are responsible for and have not participated in the determination of the prices, and amount of Investec Bank plc's Notes or the timing of the issuance or sale of Investec Bank plc's Notes or in the determination or calculation of the equation by which Investec Bank plc's Notes is to be calculated. S&P Dow Jones Indices and ASX have no obligation or liability in connection with the administration, marketing or trading of Investec Bank plc's Notes. There is no assurance that investment products based on the Index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor. Inclusion of a security within the Index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

NEITHER S&P DOW JONES INDICES NOR ASX GUARANTEES THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES AND ASX SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES AND ASX MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY INVESTEC BANK PLC, OWNERS OF INVESTEC BANK PLC'S NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES OR ASX BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBLITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND INVESTEC BANK PLC AND/OR ZEBRA CAPITAL II LIMITED, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

(*Source: S&P Dow Jones Indices LLC*)

[STATEMENTS REGARDING THE CAC 40 INDEX]

Euronext Paris S.A. has all proprietary rights with respect to the CAC-40 Index. In no way do Euronext Paris S.A. and any direct or indirect affiliates sponsor, endorse or are otherwise involved in the issue and offering of the Notes or the Preference Shares. Euronext Paris S.A. and any direct or indirect affiliates disclaim any liability to any party for any inaccuracy in the data on which the CAC-40 Index is based, for any mistakes, errors, or omissions in the calculation and/or dissemination of the CAC-40 Index, or for the manner in which it is applied in connection with the issue and offering thereof.

"CAC40®" and "CAC®" are registered trademarks of Euronext N.V. subsidiary: Euronext Paris S.A..

[STATEMENTS REGARDING THE NIKKEI 225 INDEX]

The Nikkei Stock Average ("**Index**") is an intellectual property of Nikkei Inc (formerly known as Nihon Keizai Shimbun, Inc). "Nikkei", "Nikkei Stock Average" and "Nikkei 225" are the service marks of Nikkei Inc. Nikkei Inc. reserves all the rights, including copyright, to the index. Nikkei Digital Media, Inc., a wholly owned subsidiary of Nikkei Inc. calculates and disseminates the Index under exclusive agreement with Nikkei Inc. Nikkei Inc. and Nikkei Digital Media Inc. are collectively "**Index Sponsor**".

Neither the Notes nor the Preference Shares are in any way sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor does not make any warranty or representation whatsoever, express or implied, either as to the results to be obtained as to the use of the Index or the figure as which the Index stands at any particular day or otherwise. The Index is compiled and calculated solely by the Index Sponsor. However, the Index Sponsor shall not be liable to any person for any error in the Index and the Index Sponsor shall not be under any obligation to advise any person, including a purchase or vendor of the Notes or the Preference Shares, of any error therein.

In addition, the Index Sponsor gives no assurance regarding any modification or change in any methodology used in calculating the Index and is under no obligation to continue the calculation, publication and dissemination of the Index.

[STATEMENTS REGARDING THE BNP PARIBAS SLI ENHANCED ABSOLUTE RETURN INDEX]

[The BNP Paribas SLI Enhanced Absolute Return Index (the "**Index**") is the exclusive property of BNP Paribas (the "**Index Sponsor**"). BNP Paribas Arbitrage SNC (the "**Index Calculation Agent**") and the Index Sponsor do not guarantee the accuracy and/or completeness of the composition, calculation, publication and adjustment of the Index, any data included therein, or any data from which it is based, and the Index Calculation Agent and the Index Sponsor shall have no liability for any errors, omissions, or interruptions therein. The Index Calculation Agent and the Index Sponsor make no warranty, express or implied, as to results to be obtained from the use of the Index. The Index Calculation Agent and the Index Sponsor make no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index or any data included therein. Without limiting any of the foregoing, in no event shall the Index Calculation Agent and the Index Sponsor have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.]

[THE FINVEX SUSTAINABLE EFFICIENT EUROPE 30 PRICE INDEX] [THE FINVEX SUSTAINABLE EFFICIENT WORLD 30 PRICE INDEX]

[The Finvex Sustainable Efficient Europe 30 Price Index and the Finvex Sustainable Efficient World 30 Price Index are calculated by S&P Dow Jones Indices LLC and its affiliates ("**Index Calculation Agent**"). The Dow Jones Sustainability Indices are a joint product of S&P Dow Jones Indices LLC and/or its affiliates and RobecoSAM AG ("**RobecoSAM**"). S&P® is a registered trademark of Standard & Poor's Financial Services LLC, Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("**Dow Jones**") and RobecoSAM® is a registered trademark of Robeco Groep N.V. The trademarks have been licensed to S&P Dow Jones Indices LLC and its affiliates. Inclusion of a company within a Dow Jones Sustainability Index is not a recommendation to buy, sell, or hold such company, nor is it investment advice. Investment products based on the Dow Jones Sustainability Indices are not sponsored, endorsed, sold or promoted by S&P Dow Jones Indices LLC, RobecoSAM, Dow Jones or their affiliates. S&P Dow Jones Indices LLC, RobecoSAM, Dow Jones or their affiliates make no representation regarding the advisability of investing in such Notes or the Preference Shares.

Finvex Group ("**Finvex**") is acting as Index Sponsor and Index Composition Advisor for the Finvex Sustainable Efficient Europe 30 Net Return Index (RSEURER) and the Finvex Sustainable Efficient Europe 30 Price Index (RSEURE). Any use of these indices or their name must be with the consent of the Index Sponsor. The Index's composition methodology and the composition is the exclusive intellectual property of Finvex.

The Index Sponsor and the Index Composition Advisor make no express or implied representation or warranty whether or not the Index may achieve any particular level or meet or correlate with any particular objective.

While the Index Calculation Agent, the Index Sponsor and the Index Composition Advisor will make reasonable efforts to ensure the accuracy of the composition, calculation and adjustment of the Index, the Index Calculation Agent, the Index Sponsor and the Index Composition Advisor shall have no liability in the back-dated calculation prior to the launch date or in relation to any index calculation for any error, omission, suspension or interruption in calculating the Index. Although some adjustments or calculation information have been provided by the Index Calculation Agent, such adjustments or calculations are based on information furnished by third parties believed to be reliable, the accuracy and completeness of such information has not been verified by the Index Calculation Agent.

Neither the Index Calculation Agent nor the Index Sponsor and the Index Composition Advisor can be held liable for any modification or change in the Index methodology used in the calculation the Index. Neither the Index Calculation Agent nor the Index Sponsor and the Index Composition Advisor are under obligation to continue the calculation, publication or dissemination of the Index and cannot be held liable for any suspension or interruption in the calculation, dissemination and publication of the Index.

The Index Calculation Agent, the Index Sponsor and the Index Composition Advisor shall not have any liability whether by wilful negligence, fraud or default in connection with the Index value at any given time. None of the Index Calculation Agent, the Index Sponsor and the Index Composition Advisor shall be liable whether by wilful negligence, fraud or default to any person for any error in the Index and the Index Sponsor, Index Calculation Agent and the Index Composition Advisor are under no obligation to advise any person of any error therein. None of the Index Calculation Agent, the Index Sponsor and the Index Composition Advisor can be held liable for any loss whatsoever, directly or indirectly related to the Index. Without limiting any of the foregoing, in no event shall the Index Sponsor nor the Index Composition Advisor, have any liability (whether in negligence or otherwise) to any person for any direct, indirect, special, punitive, consequential or any other damage (including lost profits) even if notified of the possibility of such damages.]

[STATEMENTS REGARDING THE NASDAQ INDEX]

Neither the Notes nor the Preference Shares are sponsored, endorsed, sold or promoted by The NASDAQ OMX Group, Inc. or its affiliates (NASDAQ OMX, with its affiliates, are referred to as the "**Corporations**"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Notes or the Preference Shares. The Corporations make no representation or warranty, express or implied to the owners of the Notes or the Preference Shares or any member of the public regarding the advisability of investing in securities generally or in the Notes or the Preference Shares particularly, or the ability of the NASDAQ Index to track general stock market performance. The Corporations' only relationship to Investec Bank plc and Zebra Capital II Limited ("**Licensee**") is in the licensing of the NASDAQ®, OMX®, NASDAQ OMX®, PHLX® and NASDAQ Index registered trademarks and certain trade names and service marks of the Corporations and the use of the NASDAQ Index which is determined, composed and calculated by NASDAQ OMX without regard to Licensee, the Notes or the Preference Shares. NASDAQ OMX has no obligation to take the needs of the Licensee or the owners of the Notes or the Preference Shares into consideration in determining, composing or calculating the NASDAQ Index. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Notes or the Preference Shares to be issued or in the determination or calculation of the equation by which the Notes or the Preference Shares are to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the Notes or the Preference Shares.

THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF NOTES OR PREFERENCE SHARES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NASDAQ INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

[STATEMENTS REGARDING THE DOW JONES INDUSTRIAL AVERAGE INDEX]

["Dow Jones", "AIG®" and "DOW JONES INDUSTRIAL AVERAGE" are service marks of Dow Jones & Company, Inc. and American International Group, Inc. ("**American International Group**"), as the case may be, and have been licensed for use for certain purposes by Investec Bank plc and/or Zebra Capital II Limited. Neither Investec Bank plc's Notes or Zebra Capital II Limited's Preference Shares based on the DOW JONES INDUSTRIAL AVERAGE are sponsored, endorsed, sold or promoted by Dow Jones, AIG International Inc. ("**AIGI**"), American International Group, or any of their respective subsidiaries or affiliates, and none of Dow Jones, AIGI, American International Group, or any of their respective subsidiaries or affiliates, makes any representation regarding the advisability of investing in such Notes or Preference Shares.

Dow Jones's only relationship to Investec Bank plc and Zebra Capital II Limited is the licensing of certain trademarks, trade names and service marks of Dow Jones and of the DOW JONES INDUSTRIAL AVERAGE Index, which is determined, composed and calculated by Dow Jones without regard to Investec Bank plc and/or Zebra Capital II Limited, the Notes or the Preference Shares. Dow Jones has no obligation to take the needs of Investec Bank plc and/or Zebra Capital II Limited or the owners of the Notes or the Preference Shares into consideration in determining, composing or calculating DOW JONES INDUSTRIAL AVERAGE Index. Dow Jones is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Notes or the Preference Shares to be issued or in the determination or calculation of the equation by which the Notes or the Preference Shares are to be converted into cash. Dow Jones has no obligation or liability in connection with the administration, marketing or trading of the Notes or the Preference Shares.]

DOW JONES DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE DOW JONES INDUSTRIAL AVERAGE INDEX OR ANY DATA INCLUDED THEREIN AND DOW JONES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, ORINTERRUPTIONS THEREIN. DOW JONES MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY INVESTEC BANK PLC AND/OR ZEBRA CAPITAL II LIMITED, OWNERS OF THE NOTES OR THEPREFERENCE SHARES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES INDUSTRIAL AVERAGE INDEXOR ANY DATA INCLUDED THEREIN. DOW JONES MAKES NO EXPRESS OR IMPLIED WARRANTIES AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DOW JONES INDUSTRIAL AVERAGE INDEX OR ANY DATA INCLUDED THEREIN, WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVENT IF NOTIFIED OF THE POSSIBILITY THEREOF. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN DOW JONES AND INVESTEC BANK PLC AND/OR ZEBRA CAPITAL II LIMITED.]

[STATEMENTS REGARDING THE IBEX 35 INDEX]

[Neither Notes issued by the Issuer nor the Preference Shares are sponsored, endorsed, sold or promoted by the sponsor of the IBEX 35 Index or the affiliates of such sponsor (collectively, the "**Publisher**"). The Publisher shall not be liable (whether as a result of negligence or otherwise) to any person for any error in the IBEX 35 Index and the Publisher is under no obligation to advise any person of any error therein. The Publisher does not make any representation or warranty, express or implied, to the prospective investors or any member of the public regarding the advisability of investing in securities generally or in the Notes or the Preference Shares particularly.]

[STATEMENTS REGARDING THE FTSE MIB INDEX]

[Neither the Notes nor the Preference Shares are in any way sponsored by FTSE International Limited ("**FTSE**") or by The London Stock Exchange plc (the "**Exchange**") or by The Financial Times Limited ("**FT**") or Borsa Italiana SpA ("**Borsa Italiana**") and neither FTSE or Exchange or FT or Borsa Italiana makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE™ 100 Index (the **"Index**") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise.

The Index is compiled and calculated solely by FTSE. However, neither FTSE nor Exchangen or FT shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE or Exchange or FT shall be under any obligation to advise any person of any error therein."FTSETM" and "FootsieTM" are trademarks of The London Stock Exchange plc and The "Financial Times Limited MIB®" is a trade mark of Borsa Italiana and both are used by FTSE under licence and are used by FTSE International Limited under licence.]

[STATEMENTS REGARDING THE AEX INDEX]

[AEX Index® is a registered trademark of Euronext N.V. or its subsidiaries designating the index that it calculates and publishes. Euronext N.V. and its subsidiaries in no way sponsor, endorse or are otherwise involved in the issue and offering of the Preference Shares or the Notes. Euronext N.V. and its subsidiaries disclaim any liability to any party for any inaccuracy in the data on which the AEX Index® is based, for any mistakes, errors, or omissions in the calculation and/or dissemination of the AEX Index®, or for the manner in which it is applied in connection with the issue and offering of the Preference Shares or the Notes.]

[STATEMENTS REGARDING THE OMX STKH30 INDEX]

Neither the Notes nor the Preference Shares are sponsored, endorsed, sold or promoted by The NASDAQ OMX Group, Inc. or its affiliates (NASDAQ OMX, with its affiliates, are referred to as the "**Corporations**"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Notes or the Preference Shares. The Corporations make no representation or warranty, express or implied to the owners of the Notes or the Preference Shares or any member of the public regarding the advisability of investing in securities generally or in the Notes or the Preference Shares particularly, or the ability of the OMXS30 Index to track general stock market performance. The Corporations' only relationship to Investec Bank plc and Zebra Capital II Limited ("**Licensee**") is in the licensing of the NASDAQ®, OMX®, NASDAQ OMX®, OMXS30™, and OMXS30 Index™ registered trademarks, and certain trade names of the Corporations and the use of the OMXS30 Index which is determined, composed and calculated by NASDAQ OMX without regard to Licensee or the Notes or the Preference Shares. NASDAQ OMX has no obligation to take the needs of the Licensee or the owners of the Notes or the Preference Shares into consideration in determining, composing or calculating the OMXS30 Index. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Notes or the Preference Shares to be issued or in the determination or calculation of the equation by which the Notes or the Preference Shares are to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the Notes or the Preference Shares.

THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE OMXS30 INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE OMXS30 INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE OMXS30 INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

[STATEMENTS REGARDING THE SMI INDEX]

The Preference Shares and the Notes are not sponsored, endorsed, sold or promoted by the SIX Swiss Exchange and the SIX Swiss Exchange makes no representation regarding the advisability of investing in the Preference Shares or the Notes. The SMI® is a registered trademark of SIX Swiss Exchange and has been licensed.

[STATEMENTS REGARDING THE NIFTY INDEX]

The Notes and the Preference Shares are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("**IISL**"). IISL does not make any representation or warranty, express or implied, to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly or the ability of the CNX Nifty Index to track general stock market performance in India. The relationship of IISL to the Issuer and Zebra Capital II Limited is only in respect of the licensing of certain trademarks and trade names of its Index which is determined, composed and calculated by IISL without regard to the Issuer, the Preference Shares or the Notes. IISL does not have any obligation to take the needs of the Issuer or Zebra Capital II Limited or the owners of the Notes or the Preference Shares into consideration in determining, composing or calculating the CNX Nifty Junior Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Notes or the Preference Shares to be issued or in the determination or calculation of the equation by which the Notes or the Preference Shares is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Notes or the Products. IISL do not guarantee the accuracy and/or the completeness of the CNX Nifty Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the Notes or the Preference Shares, or any other person or entity from the use of the CNX Nifty Index or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any damages or losses arising out of or related to the Notes or the Preference Shares, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

An investor, by subscribing or purchasing an interest in the Notes, will be regarded as having acknowledged, understood and accepted the disclaimer referred to above and will be bound by it.

[STATEMENTS REGARDING THE KOSPI 200 INDEX]

[Neither the Notes nor the Preference Shares are sponsored, endorsed, sold or promoted by Korea Exchange ("**KRX**"). KRX makes no representation or warranty, express or implied, to the owners of the Notes or the Preference Shares or any member of the public regarding the advisability of investing in securities generally or in the Notes or the Preference Shares particularly or the ability of the KOSPI and(or) KOSDAQ Indexes to track general stock market performance. KRX's only relationship to the Licensee is the licensing of certain trademarks and trade names of KRX and of the KOSPI and(or) KOSDAQ Indexes which is determined, composed and calculated by KRX without regard to the Licensee or the Notes or the Preference Shares. KRX has no obligation to take the needs of the Licensee or the owners of the Notes or the Preference Shares into consideration in determining, composing or calculating the KOSPI and(or) KOSDAQ Indexes. KRX is not responsible for and has not participated in the determination of the prices and amount of the Notes or the Preference Shares or the timing of the issuance or sale of the Notes or the Preference Shares or in the determination or calculation of the equation by which the Notes or the Preference Shares is to be converted into cash. KRX has no obligation or liability in connection with the administration, marketing or trading of the Notes or the Preference Shares.]

DESCRIPTION OF THE EVEN 30™ INDEX

Introduction

Summary

The EVEN 30™ Index (the "**Index**") is designed to track the performance of the thirty least volatile stocks of the 100 largest companies traded on the London Stock Exchange.

The Index has been developed by Investec Bank plc as Index Sponsor and is independently calculated, published and rebalanced by Finvex Group as Index Calculation Agent.

Strategy

The EVEN 30™ has been designed as a lower risk alternative to the FTSE 100 in order to deliver more stable performance. The EVEN 30™ Index tracks the performance of the 30 least volatile stocks from the 100 largest companies listed on the London Stock Exchange. When markets are particularly volatile, the EVEN 30™ will disinvest from its 30 constituent stocks to ensure that risk remains low. The strategy of the EVEN 30™ is to outperform the FTSE 100 over the medium to long term, whilst reducing downside risk.

Description of Selection Process

Thirty equity securities are selected on a monthly basis from a selection universe comprising the equity securities of the 100 largest companies traded on the London Stock Exchange (the "**Selection Universe**"). This selection is made by applying a selection procedure which seeks to identify stable companies based on a risk analysis of the compounded returns (i.e. the cumulative effect of gains and losses on the equity securities) over various historical periods.

The selection procedure consists of several steps. Firstly, all equity securities traded on the London Stock Exchange and included in the Selection Universe are screened to ensure that each potential component is an operating company. Secondly, a series of selection criteria are applied. These criteria aim to determine those securities which demonstrate the most stable risk profile.

Following the above, the thirty equity securities with the lowest perceived risk profile are chosen as the "Equity Component" of the index for that particular month. Each equity security is equally weighted within the Equity Component of the Index.The Index tracks the performance of this basket of equity securities (each equity security included in the Equity Component being a "**Component Security**").

The Component Securities are equally-weighted in order to prevent a few large securities from potentially distorting the Index..

To ensure that the risk profile of the Index remains low when markets themselves are highly volatile, the Index also has a "Volatility Control". When the volatility of the Index is above a specified level, the Volatility Control reduces exposure to the Equity Component (and invests in a simulated cash component – see "*Volatility Control*" below) until the volatility of the Index falls back to the specified level. The Volatility Control also allows the exposure to the Equity Component to increase (up to a maximum of 100%), *provided that* the volatility of the Index remains below the specified level. For clarity, the Equity Component has a 100% weighting on the first day of each monthly period. Thereafter, the Volatility Control can cause this weighting to fluctuate throughout the rest of the monthly period.

The Index is calculated on a daily basis, based on closing prices and is reported in GBP. The Index has been constructed retrospectively with an initial level of 1,000 as of 16 January 1998.

The Index is rebalanced monthly, and is a price return index that uses the closing price of each of the 30 Component Securities, net of dividends. There are no dividend reinvestments in the Index.

Index Construction

This section outlines the key steps followed in order to determine the composition of the Index, including selection criteria, component security weight, periodic reviews and the target volatility level (i.e. Volatility Control).

Index Base Date, Index Reference Currency and Index Base Level

The Index has the following Index Base Date, Index Reference Currency and Index Base Level:

Index	Index Base Date	Index Reference Currency	Index Base Level
EVEN 30™ Index	16 January 1998	GBP	1,000

The Index has not been calculated on a daily basis since the Index Base Date. The Index has been based at a level of 1,000 and the Index Base Date was chosen to give an adequate amount of historic data. The Index was created on the "Live Date" (16 September 2010) and Index levels have been calculated on a daily basis since the Live Date. The Index levels on the dates between the Live Date and the Index Base Date have been calculated retrospectively.

Selection Criteria

The Selection Universe consists of the equity securities issued by the 100 largest companies whose primary listing is on the London Stock Exchange.

In order to qualify as an "Eligible Security", each such equity security must satisfy the following requirements (being the "**Selection Criteria**"):

- must relate to an operating company; and
- cannot relate to a Closed-End Fund, Exchange Traded Fund (ETF), Structured Investment Vehicle (SIV) or Royalty Trust.

Prior to the Live Date, the above filter was not applied to the historical constituents of the Index.

The equity securities that form the Equity Component of the Index on the Index Base Date and on each Index Selection Date (see "*Periodic Review*" below) are selected on the following basis from amongst the Eligible Securities in the Selection Universe:

The Eligible Securities are ranked by stability, based on the analysis of risk observed via the compounded price movements of each individual equity security over various periods of between 1 and 3 years. The selection methodology attaches more importance to long-term stability. The 30 most stable Eligible Securities on the Index Base Date and on each Index Selection Date form the List of Eligible Securities (or "**LES**", being the "**Component Securities**" that constitute the Index) for the next monthly Index Rebalancing Date and are removed from the Selection Universe for the purpose of creating the Reserve List (or "**RL**") (see below).

Subsequently, the remaining Eligible Securities in the Selection Universe are arranged by sector (using the Global Industry Classification Standard or "**GICS Sector**") and the most stable Eligible Security from each GICS Sector is selected. These 10 Eligible Securities will form the Reserve List. This list will be maintained for the purpose of potentially replacing the originally selected Component Securities, as required, between two Periodic Reviews (see (see "*Periodic Review*" below)). A Component Security may only be replaced by a security appearing on the RL within the same GICS Sector. If this is not possible, the Index Sponsor, in consultation with the Index Calculation Agent will determine in good faith the replacing Eligible Security.

The LES and the RL are determined by the Index Sponsor and the Index Calculation Agent on a monthly basis on each Index Selection Date (see "*Periodic Review*" below).

The Index Sponsor may take into account other criteria in order to exclude any security as an Eligible Security if, in the Index Sponsor's opinion, and in consultation with the Index Calculation Agent, it is reasonable to do so. Examples of such criteria may include, without limitation:

(a) restrictions related to the holding by the Index Sponsor (or any entity of the Index Sponsor) of any Component Security, or (b) uncertainty expressed by the Index Sponsor (or any entity of the Index Sponsor) concerning the tax treatment of any holding or proposed holding of any Component Security and/or of the dividends of any Component Security.

Neither the Index Sponsor nor the Index Calculation Agent accept or shall incur any liability for inaccuracies or errors in making any such selections.

Additional changes to the LES and/or to the RL may be required further to certain corporate actions affecting issuers of equity securities within the Selection Universe or equity securities within the Selection Universe, as determined by the Index Calculation Agent together with the Index Sponsor.

Equal Component Security Weight

The weighting of the Component Securities is designed to be equal on each monthly Index Rebalancing Date.

Periodic Review

The Periodic Review is carried out in accordance with the following review timetable, using the latest available data:

Index Selection Date	means the fourteenth calendar day of each month unless such day is not a day on which the London Stock Exchange is open or is a disrupted day. If this is the case the next day on which the London Stock Exchange is open and which is not a disrupted day shall be the Index Selection Date. The Index Base Date is 16 January 1998, using data available at Close of Business on 14 January 1998. New Component Securities for the Index are determined based on the Selection Universe for each Index Selection Date.
Index Rebalancing Date	means the date which is two days (being days on which the London Stock Exchange is open and which are not a disrupted days) immediately following the Index Selection Date in each month. On this date the new Component Securities become the Equity Component and the Index weight allocated to the Equity Component is reset to 100%.

Volatility Control

In order to ensure the stability of the Index, the proportion of the Index that is made up by the Equity Component (being the 30 Component Securities that constitute the Index) can be reduced in times of high volatility, in which case the remainder will be made up of a simulated 'cash' allocation (the "**Cash Component**") that gives no return.

Any reduction in the allocation to the Equity Component is calculated by comparing the realised volatility of the Equity Component over the previous 22 days to a floating "**Target Volatility Level**". The Target Volatility Level is calculated as a percentage of the realised volatility of the Selection Universe (the 100 Eligible Securities from which the 30 Component Securities are chosen).

The purpose of the Target Volatility Level is to limit the volatility of the Index when markets in general are highly volatile.

When the realised volatility of the Equity Component (over the previous 22 days) is higher than the Target Volatility Level, the ratio of the Target Volatility Level to the volatility of the Equity Component is recorded and the proportion of the Index allocated to the Equity Component is set to be equal to this amount, with the remainder allocated to the Cash Component.

Conversely, the Index allocation to the Equity Component may also be increased (subject to a maximum of 100%) where the ratio of the Target Volatility Level to the realised volatility of the Equity Component increases.

This target volatility calculation is performed daily to ensure the stability of the Index, and as a result the proportions of the Equity Component and Cash Component may change on a daily basis.

Index Calculation

The composition of the Index is calculated according to the methodology outlined above. The level of the Index is calculated with reference to both the daily price movements of the 30 Component Securities and the Index proportion allocated to the Equity Component and Cash Component.

Index levels are calculated at close of business on a daily basis (GMT) and are reported in GBP. Index levels for any particular day are published on the following Business Day on Bloomberg (ticker: EVEN 30™ <INDEX>) and on www.investecstructuredproducts.com

DESCRIPTION OF THE EURO 70™ LOW VOLATILITY INDEX

Introduction

Summary

The EURO 70™ Low Volatility Index (the "**Index**") is designed to track the performance of the seventy least volatile stocks of the 300 largest companies listed on specified European exchanges.

The Index has been developed by Investec Bank plc as Index Sponsor and is independently calculated, published and rebalanced by Finvex Group as Index Calculation Agent.

Strategy

The Index has been designed as a lower risk alternative to traditional European equity indices in order to deliver more stable performance. The Index tracks the performance of the 70 least volatile stocks from the 300 largest companies listed on a range of specified European exchanges. When markets are particularly volatile, the Index will disinvest from its 70 constituent stocks to ensure that risk remains low. The strategy of the Index is to outperform other European equity indices over the medium to long term, whilst reducing downside risk

Description of Selection Process

Seventy equity securities are selected on a monthly basis from a selection universe comprising the 300 most highly capitalised companies listed on the primary exchange of 15 specified European countries (the "**Selection Universe**"). This selection is made by applying a selection procedure designed by the Index Sponsor, which seeks to identify stable companies based on a risk analysis of the compounded returns (i.e. the cumulative effect of gains and losses on the equity securities) over various historical periods.

The selection procedure consists of several steps. Firstly, all equity securities included in the Selection Universe are screened to ensure that each potential component is an operating company. Secondly, a series of selection criteria are applied. These criteria aim to determine those securities which demonstrate the most stable risk profile.

Following the above, the seventy equity securities with the lowest perceived risk profile are chosen as the "Equity Component" of the Index for that particular month. Each equity security is equally weighted within the Equity Component of the Index. The Index tracks the performance of this basket of equity securities (each equity security included in the Equity Component being a "**Component Security**").

The Component Securities are equally-weighted in order to prevent a few large securities from potentially distorting the Index.

To ensure that the risk profile of the Index remains low when markets themselves are highly volatile, the Index also has a "Volatility Control". When the volatility of the Index is above a specified level, the Volatility Control reduces exposure to the Equity Component (and invests in a simulated cash component – see "*Volatility Control*" below) until the volatility of the Index falls back to the specified level. The Volatility Control also allows the exposure to the Equity Component to increase (up to a maximum of 100%), *provided that* the volatility of the Index remains below the specified level.

The Index is calculated on a daily basis, based on closing prices and is reported in EUR. The Index has been constructed retrospectively with an initial level of 1,000 as of 2 January 1998.

The Index is rebalanced monthly, and is a price return index that uses the closing price of each of the 70 Component Securities, net of dividends. There are no dividend reinvestments in the Index.

Index Construction

This section outlines the key steps followed in order to determine the composition of the Index, including selection criteria, component security weight, periodic reviews and the target volatility level (i.e. Volatility Control).

Index Base Date, Index Reference Currency and Index Base Level

The Index has the following Index Base Date, Index Reference Currency and Index Base Level:

Index	Index Base Date	Index Reference Currency	Index Base Level
EURO 70™ Low Volatility Index	3 February 1999	EUR	1,000

Selection Criteria

The Selection Universe consists of the equity securities issued by the 300 largest companies listed on the primary exchanges in the following geographies:

- Austria
- Belgium
- Denmark
- Finland
- France
- Germany
- Italy
- Ireland
- Netherlands
- Norway
- Portugal
- Spain
- Sweden
- Switzerland
- United Kingdom
- In order to qualify as an "Eligible Security", each such equity security must satisfy the following requirements (being the "**Selection Criteria**"):
- must relate to an operating company;
- cannot relate to a Closed-End Fund, Exchange Traded Fund (ETF), Structured Investment Vehicle (SIV) or Royalty Trust; and
- must exhibit at least two years of price history.

The equity securities that form the Equity Component of the Index on the Index Base Date and on each Index Selection Date (see "*Periodic Review*" below) are selected on the following basis from amongst the Eligible Securities in the Selection Universe.

The Eligible Securities are ranked by stability, based on the analysis of risk observed via the compounded price movements of each individual equity security over various periods of between 1 and 2 years. The 70 most stable Eligible Securities on each Index Selection Date form the List of Eligible Securities (or "**LES**", being the "**Component Securities**" that constitute the Index) for the next monthly Index Rebalancing Date and are removed from the Selection Universe for the purpose of creating the Reserve List (or "**RL**") (see below).

Subsequently, the 20 most stable Eligible Securities within the Selection Universe (excluding the 70 Eligible Securities within the LES) will constitute the RL. This list will be maintained for the purpose of potentially replacing the originally selected Component Securities, as required, between two Periodic Reviews (see "*Periodic Review*" below). A Component Security may only be replaced by a security appearing on the RL. If this is not possible, the Index Sponsor, in consultation with the Index Calculation Agent will determine in good faith the replacing Eligible Security.

The LES and the RL are determined by the Index Sponsor and the Index Calculation Agent on a monthly basis on each Index Selection Date (see "*Periodic Review*" below).

The Index Sponsor may take into account other criteria in order to exclude any security as an Eligible Security if, in the Index Sponsor's opinion, and in consultation with the Index Calculation Agent, it is reasonable to do so. Examples of such criteria may include, without limitation: (a) restrictions related to the holding by the Index Sponsor (or any entity of the Index Sponsor) of any Component Security, or (b) uncertainty expressed by the Index Sponsor (or any entity of the Index Sponsor) concerning the tax treatment of any holding or proposed holding of any Component Security and/or of the dividends of any Component Security.

Neither the Index Sponsor nor the Index Calculation Agent accept or shall incur any liability for inaccuracies or errors in making any such selections.

Additional changes to the LES and/or to the RL may be required further to certain corporate actions affecting issuers of equity securities within the Selection Universe or equity securities within the Selection Universe, as determined by the Index Calculation Agent together with the Index Sponsor.

Equal Component Security Weight

The weighting of the Component Securities is designed to be equal on each monthly Index Rebalancing Date.

Periodic Review

The Periodic Review is carried out in accordance with the following review timetable, using the latest available data:

Index Selection Date	means the first calendar day of each month unless such day is not a TARGET Business Day in which case the next following TARGET Business Day shall be the Index Selection Date. The Index Base Date is 03 February 1999. The List of LES is determined on each Index Selection Date. On each Index Selection Date, the Calculation Agent shall agree the new LES and RL with the Index Sponsor, such that the Calculation Agent may perform the Index Rebalancing on the Index Rebalancing Date.
Index Rebalancing Date	means the third TARGET Business Day of each month, unless the Index Rebalancing Date falls on a day which is a disrupted day, in

	which case the Index Rebalancing Date shall be the next following Index Calculation Date which is not disrupted. On the Index Rebalancing Date, the New Component Securities selected on the previous Index Selection Date are promoted to the Equity Component of the Index for that month.

Volatility Control

In order to ensure the stability of the Index, the proportion of the Index that is made up by the Equity Component (being the 70 Component Securities that constitute the Index) can be reduced in times of high volatility, in which case the remainder will be made up of a simulated 'cash' allocation (the "**Cash Component**") that gives no return.

Any reduction in the allocation to the Equity Component is calculated by comparing the realised volatility of the Equity Component over the previous 22 days to a fixed "Target Volatility Level". The Target Volatility Level is fixed at 8%.

The purpose of the Target Volatility Level is to limit the volatility of the Index when markets in general are highly volatile.

When the realised volatility of the Equity Component (over the previous 22 days) is higher than the Target Volatility Level, the Index will proportionally reduce exposure from the Equity Component into the Cash Component.

Conversely, the Index allocation to the Equity Component may also be increased (subject to a maximum of 100%) where the realised volatility of the Equity Component is lower than the Target Volatility Level.

This target volatility calculation is performed daily to ensure the stability of the Index, and as a result the proportions of the Equity Component and Cash Component may change on a daily basis.

Index Calculation

The composition of the Index is calculated according to the methodology outlined above. The level of the Index is calculated with reference to both the daily price movements of the 70 Component Securities and the Index proportion allocated to the Equity Component and Cash Component.

Index levels are calculated at close of business on a daily basis and are reported in EUR. Index levels for any particular day are published on the following Business Day on Bloomberg (ticker: EURO70 <INDEX>) and on www.investecstructuredproducts.com

USE OF PROCEEDS

References to "**Notes**" in this section are references to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**").

The net proceeds from each issue of Notes will, unless specified in the applicable Final Terms, be used by the Issuer for making profit and/or hedging certain risks. If, in respect of any particular issue of Notes which are derivative securities for the purpose of Article 15 of the Commission Regulation No 809/2004 implementing the Prospectus Directive, there is another particular identified use of proceeds (other than making profit and/or hedging certain risks), this will be stated in the applicable Final Terms.

TAXATION

Introduction

References to the "**Issuer**" in this section are references to Investec Bank plc, and references to the "**Notes**" are references to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**").

United Kingdom Taxation

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal (and, if applicable, any interest) in respect of the Notes. It is based on current law and the practice of Her Majesty's Revenue and Customs ("**HMRC**"), which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective holders of the relevant Notes ("**Noteholders**") should be aware that the particular terms of issue of any series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of Notes. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

United Kingdom Witholding Tax

A. UK Withholding Tax on UK Source Interest

Any Notes issued by the Issuer which carry a right to interest ("**UK Notes**") will constitute "quoted Eurobonds" provided they are and continue to be listed on a recognised stock exchange. Whilst the UK Notes are and continue to be quoted Eurobonds, payments of interest on the UK Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

Securities will be "listed on a recognised stock exchange" for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange.

The London Stock Exchange is a recognised stock exchange, and accordingly the Notes will constitute quoted Eurobonds provided they are and continue to be included in the United Kingdom Official List and admitted to trading on the Regulated Market of the London Stock Exchange.

In addition to the exemption set out above, interest on the UK Notes may be paid without withholding or deduction for or on account of United Kingdom income tax so long as the Issuer is a "bank" for the purposes of section 878 of the Income Tax Act 2007 and so long as such payments are made by the Issuer in the ordinary course of its business. In accordance with the published practice of HMRC, such payments will be accepted as being made by the Issuer in the ordinary course of its business unless either:

(i) the borrowing in question conforms to any of the definitions of tier 1, 2 or 3 capital adopted by the Prudential Regulation Authority and the FCA whether or not it actually counts towards tier 1, 2 or 3 capital for regulatory purposes; or

(ii) the characteristics of the transaction giving rise to the interest are primarily attributable to an intention to avoid United Kingdom tax.

In all cases falling outside the exemptions described above, interest on the UK Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply. However, this withholding will not apply if the relevant interest is paid on Notes with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Notes part of a borrowing with a total term of a year or more.

B. **Other Rules Relating to UK Withholding Tax**

1. Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Notes will not generally be subject to any United Kingdom withholding tax pursuant to the provisions mentioned in section A above, but may be subject to reporting requirements as outlined in section B above.

2. Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax and reporting requirements as outlined above.

3. Where interest has been paid under deduction of United Kingdom income tax, Note Holders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

4. The references to "**interest**" above mean "interest" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation. Noteholders should seek their own professional advice as regards the withholding tax treatment of any payment on the Notes which does not constitute "interest" or "principal" as those terms are understood in United Kingdom tax law. Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, and the payment has a United Kingdom source, it would potentially be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment or a manufactured payment for United Kingdom tax purposes (which will be determined by, amongst other things, the terms and conditions specified by the Final Terms of the Note). In such a case, the payment may fall to be made under deduction of United Kingdom tax (the rate of withholding depending on the nature of the payment), subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

5. The above description of the United Kingdom withholding tax position assumes that there will be no substitution of the Issuer pursuant to Condition 13 (*Meetings of*

Noteholders, Modification, Waiver and Substitution) of the Notes or otherwise and does not consider the tax consequences of any such substitution.

C. Provision of Information

HMRC have powers to obtain information, including in relation to interest or payments treated as interest and payments derived from securities. This may include details of the beneficial owners of the Notes (or the persons for whom the Notes are held), details of the persons to whom payments derived from the Notes are or may be paid and information in connection with transactions relating to the Notes. Information obtained by HMRC may be provided to tax authorities in other countries.

Information may also be required to be reported in accordance with regulations made pursuant to the EU Savings Directive (see below).

D. European Taxation

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Directive**"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or other similar income) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Luxembourg has announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payments of interest (or similar income) as from this date.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The Council of the European Union formally adopted a Council Directive amending the Directive on 24 March 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Directive. The changes made under the Amending Directive include extending the scope of the Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of "interest payment" to cover income that is equivalent to interest.

Investors who are in any doubt as to their position should consult their professional advisers.

E. The Proposed Financial Transaction Tax ("FTT")

On 14 February 2013, the European Commission published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The proposed FTT has very broad scope. If introduced in the form proposed on 14 February 2013, it could apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the 14 February 2013 proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States. Additional EU Member States may decide to participate, although certain other Member States have expressed strong objections to the proposal. The FTT proposal may therefore be altered prior to any implementation, the timing of which remains unclear. If the FTT comes into force in its current form, it could also affect certain aspects of the Issuer's business. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

On 6th May 2014 the participating Member States issued a statement reaffirming their intention to establish an FTT in some form by 1 January 2016.

F. Withholding of U.S. tax on account of FATCA

The United States has enacted rules, commonly referred to as "FATCA", that generally impose a new reporting and withholding regime with respect to certain U.S. source payments (including dividends and interest), gross proceeds from the disposition of property that can produce U.S. source interest and dividends and certain payments made by, and financial accounts held with, entities that are classified as financial institutions under FATCA.

The United States has entered into an intergovernmental agreement regarding the implementation of FATCA with the United Kingdom (the "**IGA**"). Under the IGA, as currently drafted, the Issuer does not expect non-U.S. source payments made on or with respect to the Notes to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Notes in the future.

Whilst the Notes are in global form and held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent or the common depositary, given that each of the entities in the payment chain beginning with the Issuer and ending with the ICSDs is a major financial institution whose business is dependent on compliance and participation with FATCA and that any alternative approach introduced under an intergovernmental agreement will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the securities may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to withholding. However, definitive Notes will only be printed in remote circumstances. An investor should be aware that if any payments in relation to a Note were subject to withholding or deduction under FATCA, the Issuer would have no obligation to pay any additional amounts in relation to such withholding or deduction in accordance with Condition 6 (*Taxation*).

SUBSCRIPTION AND SALE

References to the "**Issuer**" in this section are references to Investec Bank plc, and references to the "**Notes**" are references to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**").

References to "**Tranche**" in this section are references to Notes which are identical in all respects (including as to listing and admission to trading) and references to "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective issue dates and prices of issue.

Investec plc (the "**Dealer**") has, in a programme agreement most recently amended on 11 June 2013 (such programme agreement, as amended and/or supplemented and/or restated from time to time, the "**Programme Agreement**"), agreed with the Issuer a basis upon which it and any other dealers from time to time appointed under the Programme or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". The Notes may be sold by the Issuer through the Dealer(s), acting as agent(s) of the Issuer. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

The Dealer may initially subscribe for up to the entire aggregate principal amount of any Tranche as an unsold allotment. The Dealer may subsequently place such Notes in the secondary market or such Notes may subsequently be repurchased by the Issuer and cancelled.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes may include Notes in bearer form for U.S. tax purposes which are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. The Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) *Approved Prospectus*: if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, *provided that* any such prospectus which has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) *Fewer than 100 offerees*: at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision only, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

United Kingdom

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, (the "**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

South Africa

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not and will not offer or solicit any offers for sale or subscription or sell any Notes, in each case except in accordance with the South African exchange control regulations, the South African Companies Act, 2008 and any other applicable laws and regulations of South Africa in force from time to time. In particular, the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer Notes for subscription, or otherwise sell any Notes, to any person who, or which, is a Resident (as defined in the South African exchange control regulations) other than in strict compliance with the South African exchange control regulations in effect from time to time, and, without prejudice to the foregoing, that it will take all reasonable measures available to it to ensure that no Note will be purchased by, or sold to, or beneficially held or owned by, any Resident (as defined in the South African exchange control regulations) other than in strict compliance with the South African exchange control regulations in effect from time to time.

Isle of Man

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it shall only offer or sell Notes in or from the Isle of Man if it holds an appropriate investment business licence issued by the Isle of Man Financial Supervision Commission (the "**FSC**") under section 7 of the Isle of Man Financial Services Act 2008 (the "**FSA 2008**"); and

(b) where it does not hold such a licence, it shall only offer or sell Notes to an "Isle of Man person" (within the meaning of the Isle of Man Regulated Activities Order 2011 (the "**Order**")) where it is an "overseas person" (within the meaning of the Order) who is authorised to offer and sell the Notes by a regulator outside the Isle of Man and either:

    (i) the offer or sale of the Notes is the direct result of an approach made to the Dealer by or on behalf of the Isle of Man person which has not been solicited by the Dealer (otherwise than by means of an advertisement which is neither targeted at Isle of Man persons nor disseminated by a medium which is targeted at Isle of Man persons); or

    (ii) the Isle of Man person:

        (A) holds a licence issued by the FSC under section 7 of the FSA 2008 to carry on, or hold themselves out as carrying on, a regulated activity; or

        (B) is a person falling within exclusion 2(r) contained in Schedule 1 to the Order; or

(C) is a person whose ordinary business activities involve him in acquiring, holding, managing or disposing of shares or debentures (as principal or agent), for the purposes of his business.

Guernsey

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that Notes may only be offered or sold in or from within the Bailiwick of Guernsey either (i) by persons licensed to do so under the Protection of investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the "**POI Law**"); or (ii) to persons licensed under the POI Law; or (iii) to persons licensed under the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, or the Regulation of Fiduciaries, Administration Businesses and Company Directors, Etc, (Bailiwick of Guernsey) Law, 2000.

Jersey

The Issuer does not hold a consent under the Control of Borrowing (Jersey) Order 1958 ("**COBO**"), however, this Base Prospectus may be circulated in Jersey by the Dealer pursuant to COBO on the basis that this offer is "valid in the United Kingdom" and is circulated in Jersey only to persons similar to those to whom, and in a similar manner to that in which, it is for the time being circulated in the United Kingdom and that the Issuer does not have a "relevant connection" with Jersey, as such terms are defined in COBO.

This Base Prospectus is a "financial services advertisement" for the purposes of the Financial Services (Jersey) Law 1998 and complies with the Financial Services (Advertising) (Jersey) Order 2008.

General

The Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, Deutsche Trustee Company Limited (the "**Trustee**") and any other Dealer shall have any responsibility therefor.

None of the Issuer, the Trustee or any of the Dealers has represented that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the applicable Final Terms.

GENERAL INFORMATION

Introduction

References to the "**Issuer**" in this section are references to Investec Bank plc, and references to the "**Notes**" are references to notes issued under the £4,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "**Programme**").

Authorisation

The update of the Programme and the issue of Notes have been duly authorised by a resolution of the Board of Directors of the Issuer dated 8 August 2014. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Listing and Admission to Trading

This document has been approved by the FCA as a base prospectus in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the Notes issued under the Programme described in this Base Prospectus during the period of twelve months after the date hereof. Application has also been made for the Notes to be admitted during the twelve months after the date hereof to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange plc (the "**London Stock Exchange**"), which is a regulated market for the purpose of Directive 2004/39/EC. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or on the basis that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

Documents Available

So long as any of the Notes are outstanding and throughout the life of the Programme, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London:

(i) the Memorandum and Articles of Association of the Issuer;

(ii) the Memorandum and Articles of Association of the Company;

(iii) the audited consolidated annual financial statements of the Issuer in respect of the financial years ended 31 March 2014 and 31 March 2013, together with the auditor's reports prepared in connection therewith. The Issuer currently prepares audited consolidated accounts on an annual basis;

(iv) the Programme Agreement, the Trust Deed, the Agency Agreement and the forms of the Global Notes, the Notes in definitive form and the Receipts;

(v) a copy of this Base Prospectus

(vi) a copy of the Zebra Capital Plans Retail Structured Products Programme dated 20 December 2013 and the supplemental prospectuses dated 3 January 2014, 24 April 2014 and 11 July 2014;

(vii) any future offering circulars, prospectuses, information memoranda and supplements including, free of charge, Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference; and

(viii) in the case of each issue of Notes admitted to trading on the Regulated Market of the London Stock Exchange subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

Sale of IBAL

As disclosed on page 23 of the registration document dated 22 July 2014 (the "**Registration Document**"), in April 2014, an agreement was reached with Bank of Queensland to sell the professional finance and asset finance & leasing businesses and the deposit book of Investec Bank (Australia) Limited, a wholly owned subsidiary of the Issuer (the "**Transaction**"). On 31 July 2014 the Transaction became effective.

Following the sale, the Issuer retains control of Investec Holdings Australia Limited, a non-bank subsidiary in Australia focusing on specialised finance, corporate advisory, property fund management and asset management, being serviced by approximately 90 staff members.

Aside from the Transaction described above, there has been no significant change in the financial or trading position of the Issuer and its subsidiary undertakings since 31 March 2014, being the end of the most recent financial period for which it has published financial statements.

Changes to the Issuer's Board of Directors

As of 8 August 2014:

(i) Sir David Prosser resigned as non executive director and Chairman of the Issuer and was replaced by Fani Titi; and

(ii) George Alford resigned as non executive director of the Issuer.

Clearing Systems

The Notes (other than Uncertificated Registered Notes) have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The relevant ISIN and common code will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The Uncertificated Registered Notes are participating securities for the purposes of the Regulations. The Operator is in charge of maintaining the Operator register of corporate securities. Title to the Uncertificated Registered Notes is recorded and will pass on registration in the Operator register of corporate securities. As at the date of this Base Prospectus, the relevant Operator for the purposes of the Regulations is Euroclear UK and Ireland Limited (formerly known as CRESTCo Limited).

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Euroclear UK and Ireland Limited is 33 Cannon Street, London EC4M 5SB, United Kingdom.

Nominal Amount

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed £4,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement, as defined and described herein), subject to increase as described herein.

Conditions for determining price

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

Auditors

The audited consolidated financial statements of the Issuer for the financial years ended 31 March 2013 and 31 March 2014 have been audited without qualification by Ernst & Young LLP, chartered accountants registered auditors and independent auditors whose address is 1 More London Place, London SE1 2AF.

Post-issuance information

The Issuer does not intend to provide any post-issuance information.

Dealers transacting with the Issuer

The Dealers from time to time appointed under the Programme and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.

INDEX OF DEFINED TERMS

THE ISSUER

Investec Bank plc
2 Gresham Street
London EC2V 7QP

TRUSTEE

Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB

PRINCIPAL PAYING AGENT

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

REGISTRAR

With respect to Registered Notes
Deutsche Bank Luxembourg S.A.
2 Boulevard Konrad Adenauer
L-1115 Luxembourg

CREST REGISTRAR

With respect to Uncertificated Registered Notes
Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE

CUSTODIAN

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

VERIFICATION AGENT

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

LEGAL ADVISERS

To the Issuer as to English law
Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

To the Trustee as to English law
Allen & Overy LLP
One Bishops Square
London E1 6AO

To Zebra Capital II Limited as to Cayman Islands law
Maples and Calder
11th Floor
200 Aldersgate Street
London EC1A 4HD

AUDITORS

To the Issuer
Ernst & Young LLP
1 More London Place
London SE1 2AF

DEALER

Investec Bank plc
2 Gresham Street
London EC2V 7QP