

BANK MILLENNIUM S.A.  
AS ISSUER  
AND  
CITIBANK, N.A., LONDON BRANCH  
AS AGENT

---

SUPPLEMENTING THE AMENDED AND  
RESTATED AGENCY AGREEMENT  
IN RESPECT OF EUR 3,000,000,000 EURO MEDIUM  
TERM NOTE PROGRAMME

---

## CONTENTS

Clause	Page
	<b>Page</b>
1. Definitions and Interpretation .....	1
2. Amendments to the Agency Agreement .....	1
3. Agency Agreement.....	1
4. Governing Law and Jurisdiction .....	2
5. Modification .....	2
6. Counterparts .....	2
7. Rights of Third Parties Act.....	2

**THIS SUPPLEMENTAL AGENCY AGREEMENT** is made on 11 May 2026

**BETWEEN:**

- (1) **BANK MILLENNIUM S.A.** (the "**Issuer**"); and
- (2) **CITIBANK N.A., LONDON BRANCH** as issuing and principal paying agent (the "**Agent**").

**WHEREAS:**

- (A) The Issuer has established a EUR 3,000,000,000 Euro Medium Term Note Programme (the "**Programme**") for the issuance of Notes, in connection with which the Issuer and the Agent have entered into an agency agreement dated 12 September 2024 (as amended and restated, the "**Agency Agreement**").
- (B) The parties hereto now wish to enter into this supplemental agency agreement (the "**Supplemental Agency Agreement**") to effect certain modifications to the Agency Agreement.

**IT IS AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

All words and expressions defined in the Agency Agreement shall where the context so requires and admits have the same meaning in this Supplemental Agency Agreement and the principles of interpretation specified in clause 1 (*Interpretation*) of the Agency Agreement shall where the context so requires and admits also apply to this Supplemental Agency Agreement *mutatis mutandis*.

**2. AMENDMENTS TO THE AGENCY AGREEMENT**

Each of the parties hereto agrees that, with effect on and from the date of this Supplemental Agency Agreement, Schedule 1 (*Terms and Conditions of the Notes*) of the Agency Agreement shall be deleted and replaced with Schedule 1 (*Terms and Conditions of the Notes*) hereto.

**3. AGENCY AGREEMENT**

This Supplemental Agency Agreement is supplemental to the Agency Agreement and subject to the amendments to be effected to the Agency Agreement hereunder, the Agency Agreement shall remain in full force and effect and the Agency Agreement and this Supplemental Agency Agreement shall be read and construed together as one agreement. Any Notes issued under the Programme on or after the date of this Supplemental Agency Agreement (other than Tranches of Series, the first Tranche of which was issued prior to the date of this Supplemental Agency Agreement) shall be issued pursuant to the Agency Agreement as supplemented by this Supplemental Agency Agreement. This Supplemental Agency Agreement does not affect any Notes issued under the Programme prior to the date of this Supplemental Agency Agreement.

4. **GOVERNING LAW AND JURISDICTION**

The provisions of Clause 30 (*Governing Law and Jurisdiction*) and Clause 31 (*Acknowledgement of Bail-In Powers*) of the Agency Agreement shall apply *mutatis mutandis* to this Supplemental Agency Agreement.

5. **MODIFICATION**

For the avoidance of doubt, this Supplemental Agency Agreement may be amended by further agreement among the parties hereto.

6. **COUNTERPARTS**

This Supplemental Agency Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when so executed shall constitute one and the same binding agreement between the parties.

7. **RIGHTS OF THIRD PARTIES ACT**

A person who is not a party to this Supplemental Agency Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Supplemental Agency Agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

**AS WITNESS** the hands of the duly authorised representatives of the parties hereto the day and year first before written.

## SCHEDULE 1 TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which (subject to completion by the applicable Final Terms) will be endorsed upon 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 (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "applicable Final Terms" 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.*

This Note is one of a Series (as defined below) of Notes issued by Bank Millennium S.A. (the "**Issuer**") pursuant to the Agency Agreement (as defined below).

References herein to the "**Notes**" shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global note (a "**Global Note**"), units of each Specified Denomination (as defined below) in the Specified Currency (as defined below);
- (b) any Global Note; and
- (c) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 12 September 2024 and made between the Issuer and Citibank N.A., London Branch as issuing and principal paying agent (the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents). The Agent and the Paying Agents are together referred to as the "**Agents**".

The final terms for this Note (or the relevant provisions thereof) are set out in the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the "**Conditions**" and references to a numbered "**Condition**" shall be construed accordingly).

Interest - bearing definitive Notes have interest coupons ("**Coupons**") and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The applicable Final Terms will state in particular whether this Note is an Ordinary Senior Note (the "**Ordinary Senior Note**") or a Senior Non-Preferred Note (the "**Senior Non-Preferred Note**", together with the Ordinary Senior Note, the "**Senior Notes**") or a Subordinated Note (the "**Subordinated Note**"), which may be, in turn, a Senior Subordinated Note (the "**Senior Subordinated Note**") or a Tier 2 Subordinated Note (the "**Tier 2 Subordinated Note**"), each as more fully described in Condition 2 (*Status of the Notes*).

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 (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (such Deed of Covenant as modified and/or supplemented and/or restated from time to time, the "**Deed of Covenant**") dated 12 September 2024 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary or common safekeeper, as the case may be, for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below) and by the Agent on behalf of the Noteholders and the Couponholders at its specified office.

Copies of the Agency Agreement and the Deed of Covenant are (i) available for inspection during normal business hours at the specified office of each of the Agent or (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agents and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent). If the Notes are to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)). The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the 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 Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

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

Any reference in these Conditions to any legislation (whether primary legislation or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended, superseded or re-enacted. References herein to "Terms and Conditions" or "Conditions" are to these Conditions, or a correspondingly numbered provision hereof.

## 1. **FORM, DENOMINATION AND TITLE**

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the "**Specified Currency**") and the denominations (the "**Specified Denomination(s)**") specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Ordinary Senior Note, a Senior Non-Preferred Note, a Senior Subordinated Note or a Tier 2 Subordinated Note.

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

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer and any Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any 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 S.A. ("**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 and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

Notes which are 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 so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

## **2. STATUS OF THE NOTES**

The applicable Final Terms will indicate whether the Notes are Ordinary Senior Notes, Senior Non-Preferred Notes, Senior Subordinated Notes or Tier 2 Subordinated Notes.

### **2.1 Status of the Ordinary Senior Notes**

The payment obligations of the Issuer under Notes which specify their status as Ordinary Senior Notes (including Senior MREL Notes) in the applicable Final Terms constitute direct, unconditional, unsubordinated and (subject to Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer and subject to any other ranking that may

apply as a result of any mandatory provisions of law, upon the insolvency of the Issuer as set out in the Polish Act dated 28 February 2003 Insolvency Law, as may be amended from time to time (the "**Insolvency Law**"), such payment obligations rank:

- (a) in respect of principal:
  - (i) junior to: (A) any liabilities of the Issuer falling into categories 1 and 2 of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law; and (B) any present and future obligations of the Issuer which are senior to the Ordinary Senior Notes in accordance with the Insolvency Law;
  - (ii) *pari passu* among themselves and with any other Senior Higher Priority Liabilities; and
  - (iii) senior to: (A) accrued but unpaid interest on Senior Higher Priority Liabilities as of the commencement of any insolvency procedure; (B) any liabilities of the Issuer falling into categories 4 to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law (including but not limited to Senior Non-Preferred Liabilities); and (C) any other present and future obligations of the Issuer which rank junior to the Ordinary Senior Notes in accordance with the Insolvency Law;
- (b) in respect of interest:
  - (i) junior to: (A) obligations in respect of principal on Senior Higher Priority Liabilities; and (B) any liabilities of the Issuer falling into categories 1 to 3 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law; and (C) any present and future obligations of the Issuer which rank senior to the Ordinary Senior Notes in accordance with the Insolvency Law;
  - (ii) *pari passu* among themselves and with any other interest on Senior Higher Priority Liabilities; and
  - (iii) senior to: (A) any liabilities of the Issuer falling into categories 5 to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law (including but not limited to Senior Non-Preferred Liabilities); and (B) any other present and future obligations of the Issuer which rank junior to the Ordinary Senior Notes in accordance with the Insolvency Law.

## **2.2 Status of the Senior Non-Preferred Notes**

The payment obligations of the Issuer under Notes which specify their status as Senior Non-Preferred Notes in the applicable Final Terms constitute direct, unconditional and unsecured obligations of the Issuer and subject to any other ranking that may apply as a result of any mandatory provision of law, upon the insolvency of the Issuer as set out in the Insolvency Law, such payment obligations rank:

- (a) junior to: (A) any liabilities of the Issuer falling into categories 1 to 5 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency

Law; and (B) any other present and future obligations of the Issuer which rank senior to the Senior Non-Preferred Notes in accordance with the Insolvency Law;

- (b) *pari passu* among themselves and with any other Senior Non-Preferred Liabilities; and
- (c) senior to: (A) any liabilities of the Issuer falling into categories 7 to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law; and (B) any other present and future obligations of the Issuer which rank junior to Senior Non-Preferred Liabilities in accordance with the Insolvency Law.

### **2.3 Status of the Subordinated Notes**

- (a) The payment obligations of the Issuer under Notes which specify their status as Senior Subordinated Notes or Tier 2 Subordinated Notes in the applicable Final Terms on account of principal constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and subject to any other ranking that may apply as a result of any mandatory provision of law, upon the insolvency of the Issuer as set out in the Insolvency Law, such payment obligations rank:
  - (i) for so long as the obligations of the Issuer in respect of the relevant Subordinated Notes constitute Senior Subordinated Liabilities of the Issuer:
    - (A) junior to (i) liabilities of the Issuer falling into categories 1 to 6 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law (including any Senior Higher Priority Liabilities and Senior Non-Preferred Liabilities), and (ii) any other obligations which by law rank senior to the Issuer's obligations under the relevant Senior Subordinated Notes;
    - (B) *pari passu* among themselves and with (i) all other claims in respect of Senior Subordinated Liabilities, and (ii) any other subordinated obligations which by law, rank *pari passu* with the Issuer's obligations under the relevant Senior Subordinated Notes; and
    - (C) senior to (i) any liabilities of the Issuer falling into categories 8 to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law, and (ii) any other obligations of the Issuer which, by law, rank junior to the obligations of the Issuer under the relevant Senior Subordinated Notes; and
  - (ii) for so long as the obligations of the Issuer in respect of the relevant Subordinated Notes constitute either in whole or in part Tier 2 Subordinated Notes of the Issuer:
    - (A) junior to (i) any liabilities of the Issuer falling into categories 1 to 7 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law, (ii) any other present and future obligations of the Issuer which, in accordance with the Insolvency Law, rank senior to the Tier 2 Subordinated Notes, and (iii) any other obligations which, by

law, rank senior to the Issuer's obligations under the Tier 2 Subordinated Notes;

- (B) *pari passu* among themselves and with any other subordinated obligations which, by law and/or by their terms, to the extent permitted by Polish law, rank *pari passu* with the Issuer's obligations under the Tier 2 Subordinated Notes; and
- (C) senior to (i) any liabilities of the Issuer falling into categories 9 and 10 of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law, (ii) any other present or future obligations of the Issuer which, in accordance with the Insolvency Law, rank lower than Tier 2 Subordinated Notes, and (iii) any other subordinated obligations of the Issuer which by law rank junior to the obligations of the Issuer under the Tier 2 Subordinated Notes.

## 2.4 No Interest in Insolvency

No interest shall accrue in respect of the Notes from the date of the declaration of insolvency of the Issuer.

## 2.5 MREL

- (a) To the extent allowed by the Applicable Banking Regulations, the Senior MREL Notes, the Senior Non-Preferred Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes may be issued by the Issuer to satisfy the minimum requirements for own funds and eligible liabilities (the "MREL").
- (b) The rights of holders of the Ordinary Senior Notes, Senior Non-Preferred Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes shall be subject to any present or future Polish laws or regulations relating to the recovery and resolution of credit institutions and investment firms in the Republic of Poland which are or will be applicable to such Notes as a result of the operation of such laws or regulations, including, without limitation, any laws, regulations, rules or requirements in effect in the Republic of Poland, relating to (i) the transposition of the BRRD and (ii) the instruments, rules and standards created under the BRRD. In particular, in the event of the resolution of the Issuer, the Relevant Resolution Authority may write-down or convert the MREL Notes ahead of the Notes which do not constitute MREL Notes.

## 2.6 Definitions

In these Conditions:

**"Applicable Banking Regulations"** means, at any time, the laws, regulations, requirements, guidelines and policies relating to capital adequacy or resolution then in effect in the Republic of Poland including, without limitation to the generality of the foregoing, the CRD, the CRR Regulation, BRRD, the Creditor Hierarchy Directive, the BGF Act, the Insolvency Law and those regulations, requirements, guidelines and policies relating to capital adequacy or resolution adopted by the BGF or other Competent Authority from time to time and then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer);

"**BGF**" means Bankowy Fundusz Gwarancyjny;

"**BGF Act**" means a Polish Act of 10 June 2016 on bank guarantee fund, the deposit guarantee scheme and resolution (as amended from time to time);

"**BRRD**" means Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time;

"**Competent Authority**" means the Polish Financial Supervision Authority (in Polish: *Komisja Nadzoru Finansowego*) or any successor or replacement thereto having primary responsibility for the prudential oversight and supervision of the Issuer and/or the Relevant Resolution Authority (if applicable), in any case as determined by the Issuer;

"**CRD**" means any of, or any combination of, the CRD Directive, the CRR Regulation, and any CRD Implementing Measures;

"**CRD Directive**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as the same may be amended or replaced from time to time, including, without limitation, as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019;

"**CRD Implementing Measures**" means any rules implementing the CRD Directive or the CRR Regulation which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Competent Authority or any other relevant authority, which are applicable to the Issuer (on a stand-alone basis) or the Group (on a consolidated basis) and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital or the minimum requirement for own funds and eligible liabilities, as the case may be, of the Issuer (on a stand-alone basis) or the Group (on a consolidated basis);

"**CRR Regulation**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as the same may be amended or replaced from time to time;

"**Creditor Hierarchy Directive**" means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy, or any equivalent legislation that supersedes or replaces it;

"**Group**" means the Issuer and its consolidated subsidiaries;

"**MREL Notes**" means the Senior MREL Notes, Senior Non-Preferred Notes and Senior Subordinated Notes which constitute the Issuer's own funds and eligible liabilities under the BGF Act;

"**Relevant Resolution Authority**" means the BGF or any successor to or replacement for the BGF and/or any other authority with the ability to exercise any Bail-in and Loss

Absorption Powers (as defined in Condition 20 (*Acknowledgment of Bail-in and Loss Absorption Powers*)) in relation to the Issuer and/or the Group;

**"Senior Higher Priority Liabilities"** means any obligations in respect of principal of the Issuer under any Ordinary Senior Notes, any other unsecured and unsubordinated obligations of the Issuer referred to in Article 440.2.3 of the Insolvency Law and any other unsecured and unsubordinated obligations of the Issuer having the same ranking in respect of principal as the obligations of the Issuer under the Ordinary Senior Notes;

**"Senior MREL Notes"** means the Ordinary Senior Notes which are, as at the relevant Issue Date, intended to constitute the Issuer's own funds and eligible liabilities under the BGF Act, as specified in the applicable Final Terms;

**"Senior Non-Preferred Liabilities"** means any subordinated and unsecured senior non-preferred obligations of the Issuer referred to in Article 440.2.6 of the Insolvency Law (including any Senior Non-Preferred Notes) and any other obligations which, by law, rank *pari passu* with Senior Non-Preferred Liabilities;

**"Senior Subordinated Liabilities"** means any subordinated obligation of the Issuer, referred to in Article 440.2.7 of the Insolvency Law and any other obligations which, by law, rank *pari passu* with Senior Subordinated Liabilities; and

**"Tier 2 Subordinated Notes"** means any subordinated obligations of the Issuer referred to in Article 440.2.8 of the Insolvency Law and any other obligations which, by law, rank *pari passu* with the Tier 2 Subordinated Notes.

### 3. NEGATIVE PLEDGE

#### 3.1 Negative Pledge

This Condition 3 is applicable only in relation to the Ordinary Senior Notes (which are not Senior MREL Notes). So long as any Ordinary Senior Note remains outstanding, the Issuer will not create or have outstanding any Encumbrance upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant External Indebtedness unless the Issuer shall, in the case of the creation of an Encumbrance, before or at the same time, in any other case, promptly take any and all action necessary to ensure that such other Encumbrance or other arrangement (whether or not it includes the creation of an Encumbrance) is provided as shall be approved by an Extraordinary Resolution (which is defined in the Agency Agreement as a resolution duly passed by a majority of not less than three-fourths of the votes cast) of holders, **provided that** the above provisions shall not apply to any Encumbrance on or with respect to the assets, receivables, remittances or other payment rights of the Issuer which is created pursuant to any securitisation or like arrangement in accordance with normal market practice and whereby the principal amount of the Relevant External Indebtedness secured by such Encumbrance is substantially limited to an amount equal to the proceeds received by the Issuer in exchange for the sale, assignment, pledge or other transfer of such assets, receivables, remittances or other payment rights.

#### 3.2 Definitions

In these Conditions:

**"Encumbrance"** means any mortgage, pledge, lien, charge, assignment, hypothecation, security interest, title retention, preferential right or trust arrangement and any other security agreement or arrangement;

**"Relevant External Indebtedness"** means any Relevant Indebtedness which is payable in or by reference to a currency which is not the lawful currency for the time being of Poland; and

**"Relevant Indebtedness"** means: (A) any obligation with a maturity greater than one year for the payment of borrowed money which is in the form of, represented or evidenced by a note, bond, debenture or other security or a similar instrument, which is, or is capable of, being quoted, listed, dealt in or traded on a stock exchange or other recognised securities market; or (B) any present or future guarantee or indemnity in respect of any of the foregoing.

#### **4. WAIVER OF SET-OFF**

In the case of any Senior MREL Notes, Senior Non-Preferred Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes, no Noteholder shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of such Notes or relative Coupons. If, notwithstanding the preceding sentence, any Noteholder receives or recovers any sum or the benefit of any sum in respect of any Note or related Coupon by virtue of any such set-off or counterclaim, it shall hold the same on trust for the Issuer and shall pay the amount thereof to the Issuer or, in the event of the winding up of the Issuer, to the liquidator of the Issuer.

For the avoidance of doubt, nothing in this Condition is intended to provide, or shall be construed as acknowledging, any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder of any Note but for this Condition.

#### **5. INTEREST**

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

##### **5.1 Interest on Fixed Rate Notes**

This Condition 5.1 applies to Fixed Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 5.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

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

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

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

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest, in accordance with this Condition 5.1:

- (a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
  - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

- (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

**"Determination Period"** means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

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

## 5.2 Interest on Floating Rate Notes

This Condition 5.2 applies to Floating Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 5.2 for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Final Terms will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

### (a) Interest Payment Dates

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

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

in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, "**Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date) or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

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

- (A) in any case where Specified Periods are specified in accordance with Condition 5.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (b)(2) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, "**Business Day**" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre (other than the real time gross settlement system operated by the Eurosystem, or any successor or replacement system ("**T2**")) specified in the applicable Final Terms;
- (b) if T2 is specified as an Additional Business Centre in the applicable Final Terms, a day on which T2 is open; and
- (c) 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 (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which T2 is open.

(b) Rate of Interest

The rate of interest payable from time to time in respect of Floating Rate Notes (the "**Rate of Interest**") will be determined in the manner specified in the applicable Final Terms.

(c) Screen Rate Determination

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be (other than in respect of Notes for which SONIA, SOFR and/or €STR or any related index is specified as the Reference Rate in the relevant Final Terms) determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms), which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
  - (A) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
  - (B) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period

***provided, however, that*** if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Adviser appointed by the Issuer, and such Independent Adviser acting in good faith and in a commercially reasonable manner;

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

- (iii) in any other case, the Calculation Agent will determine the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iv) if, in the case of (i) above, such rate does not appear on that page or, in the case of (iii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Issuer will:
  - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (B) provide such quotations to the Calculation Agent who shall determine the arithmetic mean of such quotations; and
- (v) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, requested and selected by the Issuer, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin (if any) and the relevant ISDA Rate where **"ISDA Rate"** in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as

Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that interest rate swap transaction under the terms of an agreement incorporating the (i) if "2006 ISDA Definitions" is specified in the applicable Final Terms, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") and as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if "2021 ISDA Definitions" is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA as at the Issue Date of the first Tranche of the Notes; (together, the "**ISDA Definitions**") and under which:

- (i) references in the ISDA definitions to:
  - (A) "**Confirmation**" shall be references to the relevant Final Terms;
  - (B) "**Calculation Period**" shall be references to the relevant Interest Period;
  - (C) "**Termination Date**" shall be references to the Maturity Date;
  - (D) "**Effective Date**" shall be references to the Interest Commencement Date; and
  - (E) "**Administrator/Benchmark Event**" in the 2021 ISDA Definitions shall be disappplied; and
- (ii) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate";
- (iii) the Floating Rate Option is as specified in the relevant Final Terms;
- (iv) the Designated Maturity is a period specified in the relevant Final Terms; and
- (v) the relevant Reset Date is either (A) the first day of that Interest Period or (B) as specified in the relevant Final Terms;
- (vi) if the Floating Rate Option is an Overnight Floating Rate Option, the Overnight Rate Compounding Method is one of the following as specified in the applicable Final Terms:
  - (A) Compounding with Lookback;
  - (B) Compounding with Observation Period Shift; or
  - (C) Compounding with Lockout; and

- (vii) if the Floating Rate Option is a Compounded Index Floating Rate Option, the Index Method is Compounded Index Method with Observation Period Shift as specified in the applicable Final Terms.

In connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers or other items specified in the relevant confirmation shall be deemed to be references to the numbers or other items specified for such purpose in the applicable Final Terms.

Notwithstanding anything in the ISDA Definitions to the contrary the Agent will have no obligation to exercise any discretion (including in determining EURIBOR or the fallback rate), and to the extent the ISDA Definitions requires the Agent to exercise any such discretion, the Issuer, will provide written direction to the Agent specifying how such discretion should be exercised, and the Agent will be entitled to conclusively rely on that direction and will be fully protected if it acts in accordance therewith.

For the purposes of this subparagraph (d), "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**", "**Overnight Floating Rate Option**", "**Overnight Rate Compounding Method**", "**Compounding with Lookback**", "**Compounding with Observation Period Shift**", "**Compounding with Lockout**", "**Averaging with Lookback**", "**Averaging with Observation Period Shift**", "**Averaging with Lockout**", "**Compounded Index Floating Rate Option**", "**Index Method**" and "**Compounded Index Method with Observation Period Shift**" have the meanings given to those terms in the ISDA Definitions.

References in the ISDA definitions to:

"**Confirmation**" shall be references to the relevant Final Terms;

"**Calculation Period**" shall be references to the relevant Interest Period;

"**Termination Date**" shall be references to the Maturity Date;

"**Effective Date**" shall be references to the Interest Commencement Date; and

"**Administrator/Benchmark Event**" in the 2021 ISDA Definitions shall be disappplied; and

If the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication– Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

- (e) Interest – Floating Rate Notes referencing SONIA
  - (i) This Condition 5.2(e) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable and the "Reference Rate" is specified in the relevant Final Terms as being "SONIA".

- (ii) Where "SONIA" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent.
- (iii) For the purposes of this Condition 5.2(e):

"**Compounded Daily SONIA**", with respect to an Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

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

"**d**" means the number of calendar days in:

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

"**do**" means the number of London Banking Days in:

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

"**i**" means a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

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

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days

prior to such earlier date, if any, on which the Notes are due and payable);

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

**"ni"** for any London Banking Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

**"Observation Period"** means, in respect of an Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

**"p"** for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms (or, if no such number is so specified, five and shall not be less than five unless otherwise agreed with the Agent);

**"SONIA Reference Rate"** means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

**"SONIAi"** means the SONIA Reference Rate for:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant London Banking Day "i".

*For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.*

- (iii) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 5.2(n) (*Benchmark Replacement (Independent Adviser)*), be:
  - (A) the sum of (i) Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
  - (B) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, either (i), the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors); or (ii) if this is more recent, the latest rate determined under (A) above.
- (iv) Subject to Condition 5.2(n) (*Benchmark Replacement (Independent Adviser)*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period, in each case as determined by the Calculation Agent.

- (f) Interest – Floating Rate Notes referencing SOFR

- (i) This Condition 5.2(f) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable and the "Reference Rate" is specified in the relevant Final Terms as being "SOFR".
- (ii) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent on each Interest Determination Date.
- (iii) For the purposes of this Condition 5.2(f):

**"Benchmark"** means Compounded Daily SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 5.2(f).

*Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded Daily SOFR in accordance with the specific formula and other provisions set forth herein, the Daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.*

*If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded Daily SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 5.2(f)(iv) below will apply.*

**"Business Day"** means any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each (if any) Additional Business Centre(s) and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed;

**"Compounded Daily SOFR"** with respect to any Interest Period, means the rate of return of a daily compound interest investment (with the daily U.S. dollar secured overnight financing rate as reference rate for the calculation of interest) computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

"d" is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"d<sub>o</sub>" is the number of U.S. Government Securities Business Days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"i" is a series of whole numbers from one to d<sub>o</sub>, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

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

to and including the last US Government Securities Business Day in such period;

**"Interest Determination Date"** means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"n<sub>i</sub>" for any U.S. Government Securities Business Day "i" in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1");

**"Observation Period"** in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the (i) Interest Payment Date for such Interest Period; or (ii) if applicable, such earlier

date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable;

"p" for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms (or, if no such number is so specified, five and shall not be less than five unless otherwise agreed with the Agent);

"**SOFR**" with respect to any U.S. Government Securities Business Day, means:

- (i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or
- (ii) Subject to Condition 5.2(f)(iv) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SOFRi**" means the SOFR for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i"; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

If the Issuer or, in the Issuer's discretion, an Independent Adviser appointed by the Issuer for such purpose, determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the

then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any determination, decision or election that may be made by the Issuer or, in the Issuer's discretion, an Independent Adviser appointed by the Issuer for such purpose pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (i) will be conclusive and binding absent manifest error;
- (ii) will be made in the sole discretion of the Issuer or the Independent Adviser; and
- (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

**"Benchmark"** means, initially, Compounded Daily SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded Daily SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

**"Benchmark Replacement"** means the first alternative set forth in the order below that can be determined by the Issuer or, in the Issuer's discretion, an Independent Adviser appointed by the Issuer for such purpose as of the Benchmark Replacement Date:

- (i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;
- (ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or
- (iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer or any such Independent Adviser as the replacement for the then-current Benchmark for the applicable corresponding tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

**"Benchmark Replacement Adjustment"** means the first alternative set forth in the order below that can be determined by the Issuer or, in the Issuer's discretion, an Independent Adviser appointed by the Issuer for such purpose as of the Benchmark Replacement Date:

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

**"Benchmark Replacement Conforming Changes"** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer or any Independent Adviser, as applicable, decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or such Independent Adviser decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or such Independent Adviser determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

**"Benchmark Replacement Date"** means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) in the case of clause (i) or (ii) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of clause (iii) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

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

**"Benchmark Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

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

**"Independent Adviser"** means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense;

**"ISDA Definitions"** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**"ISDA Fallback Adjustment"** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be

determined upon the occurrence of an index cessation event with respect to the Benchmark;

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

**"Reference Time"** with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded Daily SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded Daily SOFR, the scheduled or customary time for publication of the relevant Benchmark in accordance with the then-prevailing operational procedures of the administrator of such Benchmark or, as the case may be, of the other relevant information service publishing such Benchmark, on, the relevant Interest Determination Date;

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

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

Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 5.2(f)(iv) below will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 15 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

- (iv) No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:
  - (A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5.2(f); and
  - (B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.
  - (C) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(f), the Rate of Interest shall be (A) that determined as at the last preceding

Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(g) Interest – Floating Rate Notes referencing €STR

- (i) This Condition 5.2(g) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable and the "Reference Rate" is specified in the relevant Final Terms as being "€STR".
- (ii) Where "€STR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent on each Interest Determination Date.
- (iii) For the purposes of this Condition 5.2(g):

**"Compounded Daily €STR"** means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

**"d"** means the number of calendar days in:

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

**"D"** means the number specified as such in the relevant Final Terms (or, if no such number is specified, 360);

"do" means the number of TARGET Business Days in:

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

the "**€STR reference rate**", in respect of any TARGET Business Day, is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Business Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Business Day immediately following such TARGET Business Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR<sub>i</sub>**" means the €STR reference rate for:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the TARGET Business Day falling "p" TARGET Business Days prior to the relevant TARGET Business Day "i"; or
- (ii) where "*Observation Shift*" is specified as the Observation Method in the relevant Final Terms, the relevant TARGET Business Day "i".

"**i**" is a series of whole numbers from one to "**d<sub>o</sub>**", each representing the relevant TARGET Business Day in chronological order from, and including, the first TARGET Business Day in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "*Observation Shift*" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to, and including, the last TARGET Business Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" TARGET Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"*ni*" for any TARGET Business Day "*i*" in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Business Day "*i*" up to (but excluding) the following TARGET Business Day;

"**Observation Period**" means, in respect of any Interest Period, the period from (and including) the date falling "*p*" TARGET Business Days prior to the first day of the relevant Interest Period (and the final Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "*p*" TARGET Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) if applicable, such earlier date, if any, on which the Notes become due and payable; and

"**p**" for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or, if no such number is specified, five TARGET Business Days and shall not be less than five unless otherwise agreed with the Agent).

"**TARGET Business Day**" means any day on which T2 is open.

- (i) Subject to Condition 5.2(n) (*Benchmark Replacement (Independent Adviser)*), if, where any Rate of Interest is to be calculated pursuant to Condition 5.2(g)(ii) above, in respect of any TARGET Business Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Business Day shall be the €STR reference rate for the first preceding TARGET Business Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Calculation Agent.
- (ii) Subject to Condition 5.2(n) (*Benchmark Replacement (Independent Adviser)*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(g), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and

excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(h) Interest – SONIA Compounded Index and SOFR Compounded Index

Where "Index Determination" is specified in the relevant Final Terms as being applicable, the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

$$\frac{(\text{Compounded Index End}}{\text{Compounded Index Start}} - 1) \times \frac{\text{Numerator}}{d}$$

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

**"Compounded Index"** means either the SONIA Compounded Index or the SOFR Compounded Index, as specified in the relevant Final Terms;

**"d"** is the number of calendar days from (and including) the day on which the relevant Compounded Index<sub>Start</sub> is determined to (but excluding) the day on which the relevant Compounded Index<sub>End</sub> is determined;

**"End"** means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

**"Index Days"** means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

**"Numerator"** means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

**"Relevant Decimal Place"** shall, unless otherwise specified in the Final Terms, be the fifth decimal place in the case of the SONIA Compounded Index and the seventh decimal place in the case of the SOFR Compounded Index, in each case rounded up or down, if necessary (with 0.000005 or, as the case may be, 0.00000005 being rounded upwards);

**"Relevant Number"** is as specified in the applicable Final Terms, but, unless otherwise specified shall be five;

**"SONIA Compounded Index"** means the Compounded Daily SONIA rate as published at 10:00 (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source;

**"SOFR Compounded Index"** means the Compounded Daily SOFR rate as published at 15:00 (New York time) by Federal Reserve Bank of New York (or

a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source; and

"**Start**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

Provided that a Benchmark Event has not occurred in respect of the relevant Compounded Index, if, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Calculation Agent shall calculate the rate of interest for that Interest Period as if Index Determination was not specified in the applicable Final Terms and as if Compounded Daily SONIA or Compounded Daily SOFR had been specified instead in the Final Terms, and in each case "Observation Shift" had been specified as the Observation Method in the relevant Final Terms, and where the Observation Shift Period shall be deemed to be the same as the Relevant Number specified in the Final Terms and where, in the case of Compounded Daily SONIA, the Relevant Screen Page will be determined by the Issuer. For the avoidance of doubt, if a Benchmark Event has occurred in respect of the relevant Compounded Index, the provisions of Condition 5.2(n) (*Benchmark Replacement (Independent Adviser)*) shall apply.

- (i) Interest – Reset Note Provisions
  - (i) This Condition 5.2(i) is applicable to the Notes only if the Interest - Reset Note Provisions are specified in the relevant Final Terms as being applicable.
  - (ii) Such Notes shall bear interest on the outstanding principal amount of the Notes:
    - (A) from (and including) the Interest Commencement Date specified in the relevant Final Terms until (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;
    - (B) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and
    - (C) for each Subsequent Reset Period thereafter (if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,
  - (iii) payable, in each case, in arrear on the Interest Payment Date(s) so specified in the relevant Final Terms (subject to adjustment as described in Condition 5.1 (*Interest on Fixed Rate Notes*)) and on the Maturity Date, as applicable. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (A) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, and (B) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 5.1 (*Interest on Fixed Rate Notes*).

- (iv) If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Issuer shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 12:00 PM in the Relevant Financial Centre of the Specified Currency on the Reset Determination Date in question.
- (v) If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.
- (vi) If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest (though substituting, where a different Relevant Margin is to be applied to the relevant Reset Period from that which applied to the last preceding Reset Period, the Relevant Margin relating to the relevant Reset Period, in place of the Relevant Margin relating to that last preceding Reset Period).
- (vii) If Reset Reference Rate Conversion is so specified as being applicable, the First Reset Rate of Interest and, if applicable, each Subsequent Reset Rate of Interest will be converted from the Original Reset Reference Rate Basis specified in the relevant Final Terms to a basis which matches the per annum frequency of Interest Payment Dates in respect of the relevant Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it).
- (viii) For the purposes of this Condition 5.2(i):

**"First Margin"** means the margin specified as such in the relevant Final Terms;

**"First Reset Date"** means the date specified in the relevant Final Terms;

**"First Reset Period"** means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Final Terms, the Maturity Date or date of any final redemption;

**"First Reset Rate of Interest"** means, in respect of the First Reset Period and subject to this Condition 5.2(i), the rate of interest determined by the Calculation Agent on the relevant Reset

Determination Date as the sum of the relevant Reset Reference Rate and the First Margin;

**"Initial Rate of Interest"** has the meaning specified in the relevant Final Terms;

**"Mid-Market Swap Rate"** means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the relevant Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency);

**"Mid-Market Swap Rate Quotation"** means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

**"Mid-Swap Floating Leg Benchmark Rate"** means the rate as specified in the relevant Final Terms;

**"Mid-Swap Rate"** means, in relation to a Reset Determination Date and subject to this Condition 5.2(i), either:

- (i) if Single Mid-Swap Rate is specified in the relevant Final Terms, the rate for swaps in the Specified Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date, which appears on the Relevant Screen Page; or
- (ii) if Mean Mid-Swap Rate is specified in the relevant Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date, which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the Relevant Financial Centre of the Currency on such Reset Determination Date, all as determined by the Calculation Agent;

**"Original Reset Reference Rate Basis"** has the meaning given in the relevant Final Terms and shall be annual, semi-annual, quarterly or monthly;

**"Rate of Interest"** means in the case of Reset Notes, the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

**"Reference Banks"** has the meaning given in the relevant Final Terms or, if none, four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute;

**"Reference Bond Price"** means, with respect to any Reset Determination Date (i) the arithmetic average (as determined by the Calculation Agent) of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if fewer than five such Reference Government Bond Dealer Quotations are received, the arithmetic average (as determined by the Calculation Agent) of all such quotations;

**"Reference Bond Rate"** means, with respect to any Reset Period, the rate per annum equal to the yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reset Reference Bond, assuming a price for the Reset Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Reset Determination Date, as determined by the Calculation Agent, provided that if only one Reference Government Bond Dealer Quotation is received or if no Reference Government Bond Dealer Quotations are received in respect of the determination of the Reference Bond Price, the Rate of Interest shall not be determined by reference to the Reference Bond Rate and the Rate of Interest shall instead be, in the case of the First Reset Rate of Interest, the Initial Rate of Interest and, in the case of any Subsequent Reset Rate of Interest, the Rate of Interest as at the last preceding Reset Date (though substituting, where a different Relevant Margin is to be applied to the relevant Reset Period from that which applied to the last preceding Reset Period, the Relevant Margin relating to the relevant Reset Period, in place of the Relevant Margin relating to that last preceding Reset Period);

**"Reference Government Bond Dealer"** means each of five banks selected by the Issuer (following, where practicable, consultation with the Determination Agent, if one is specified in the relevant Final Terms), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

**"Reference Government Bond Dealer Quotations"** means, with respect to any Reference Government Bond Dealer and any Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the Reset Reference Bond (expressed in each case as a percentage of its principal amount) as at the Reset Determination Time and quoted in writing to the Calculation Agent by such Reference Government Bond Dealer;

**"Reference Price"** has the meaning given in the relevant Final Terms;

**"Relevant Margin"** means the First Margin and/or the Subsequent Margin(s), as the case may be, as specified in the relevant Final Terms;

**"Reset Date"** means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable), in each case as adjusted (if so specified in the relevant Final Terms) in accordance with Condition 5 (*Interest*) as if the relevant Reset Date was an Interest Payment Date;

**"Reset Determination Date"** means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period, or in each case as specified in the relevant Final Terms;

**"Reset Determination Time"** means in relation to a Reset Determination Date, 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date or such other time as may be specified in the relevant Final Terms;

**"Reset Note"** means a Note on which interest is calculated at reset rates payable in arrear on a fixed date or dates in each year and/or at intervals of one, two, three, six or 12 months or at such other date or intervals as may be agreed between the Issuer and the relevant dealer(s) (as indicated in the relevant Final Terms);

**"Reset Period"** means the First Reset Period or a Subsequent Reset Period, as the case may be;

**"Reset Reference Bond"** means for any Reset Period a government security or securities issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be deemed to be Germany) agreed between the Issuer and the Determination Agent as having the nearest actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Issuer, after consultation with the Determination Agent) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of a maturity comparable to the relevant Reset Period;

**"Reset Reference Rate"** means either (i) the Mid-Swap Rate, or (ii) the Reference Bond Rate, as specified in the relevant Final Terms;

**"Second Reset Date"** means the date specified in the relevant Final Terms;

**"Subsequent Margin"** means the margin specified as such in the relevant Final Terms;

**"Subsequent Reset Date"** means the date or dates specified in the relevant Final Terms;

**"Subsequent Reset Period"** means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date; and

**"Subsequent Reset Rate of Interest"** means, in respect of any Subsequent Reset Period and subject to this Condition 5.2(i), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Reference Rate and the relevant Subsequent Margin.

(j) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

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

(k) Determination of Rate of Interest and calculation of Interest Amounts

In the case of Floating Rate Notes the Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the **"Interest Amount"**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

- (ii) in the case of Floating Rate Notes in definitive form, the Calculation Amount,

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

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest in accordance with this Condition 5.2:

- (i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

(vii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

(l) Notification of Rate of Interest and Interest Amounts

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period or Reset Period (as applicable) and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes or Reset Notes (as applicable) are for the time being listed (by no later than the first day of each Interest Period or Reset Period (as applicable)) and notice thereof to be published in accordance with Condition 15 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period or Reset Period (as applicable). Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes or Reset Notes (as applicable) are for the time being listed and to the Noteholders in accordance with Condition 15 (*Notices*). For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(m) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained, for the purposes of the provisions of this Condition 5.2, by the Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(n) Benchmark Replacement (Independent Adviser)

Other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the relevant Final Terms as being "SOFR", if a Benchmark Event occurs in relation to the Reference Rate or the Mid-Swap Floating Leg Benchmark Rate (as applicable) when the Rate of Interest (or any component part thereof) for any Interest Period or Reset Period (as applicable) remains to be determined by reference to such Reference Rate or the Mid-Swap Floating Leg Benchmark Rate (as applicable), then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as

reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5.2(n)(i)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5.2(n)(ii)) and any Benchmark Amendments (in accordance with Condition 5.2(n)(iii)).

If, notwithstanding the use of reasonable endeavours, the Issuer is unable to appoint an Independent Adviser, or if an Independent Adviser is appointed by the Issuer but fails to make any relevant determination specified to be made by it under this Condition 5.2(n) prior to the relevant Interest Determination Date, the Issuer itself (acting in good faith and in a commercially reasonable manner) shall be entitled to make the relevant determination(s). In such case, remaining references in this Condition 5.2(n) to determinations made, or to be made, by the Independent Adviser shall be construed accordingly.

An Independent Adviser appointed shall act in good faith and in a commercially reasonable manner. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent or the Noteholders for any determination made by it pursuant to this Condition 5.2(n) and the Fiscal Agent will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof.

- (i) If the Independent Adviser determines in its discretion that:
  - (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.2(n)(i)) subsequently be used in place of the Reference Rate or the Mid-Swap Floating Leg Benchmark Rate (as applicable) to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 5.2(n) in the event of a further Benchmark Event affecting the Successor Rate; or
  - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.2(n)) subsequently be used in place of the Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period or Reset Period (as applicable) and all following Interest Periods or Reset Periods (as applicable), subject to the subsequent operation of this Condition 5.2(n)(i) in the event of a further Benchmark Event affecting the Alternative Rate.
- (ii) If the Independent Adviser determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) (which may be expressed as a specified quantum of, or a formula or methodology for determining, such Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).

- (iii) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5.2(n) and the Independent Adviser determines in its discretion (i) that amendments to these Conditions and/or the Agency Agreement (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days, Interest Determination Date, or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Calculation Agent (or the person specified in the relevant Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s)), subject to giving notice thereof in accordance with Condition 5.2(n)(iv), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Fiscal Agent shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to the Agency Agreement and these Conditions as the Agent may be required in order to give effect to this Condition 5.2(n)).
- (iv) If (A) the Issuer is unable to appoint an Independent Adviser or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5.2(n) prior to the relevant Interest Determination Date or Reset Determination Date (as applicable), and in any such case the Issuer does not itself make any such determination, as applicable, the Reference Rate or the Mid-Swap Floating Leg Benchmark Rate (as applicable) applicable to the relevant Interest Period or Reset Period (as applicable) shall be the Reference Rate or the Mid-Swap Floating Leg Benchmark Rate (as applicable) applicable as at the last preceding Interest Determination Date or Reset Determination Date (as applicable). If there has not been a first Interest Payment Date, the Reference Rate or the Mid-Swap Floating Leg Benchmark Rate (as applicable) shall be the Reference Rate applicable to the first Interest Period or the Mid-Swap Floating Leg Benchmark Rate applicable to the first Reset Period (as applicable). For the avoidance of doubt, any adjustment pursuant to this Condition 5.2(n) shall apply only to the relevant Interest Period or Reset Period (as applicable). Any subsequent Interest Period or Reset Period (as applicable) may be subject to the subsequent operation of this Condition 5.2(n).
- (v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.2(n) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 15 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

- (vi) No later than notifying the Agent of the same, the Issuer shall deliver to the Agent a certificate signed by two authorised signatories of the Issuer:
  - (A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5.2(n); and
  - (B) certifying that (1) the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread and (2) the intent of the drafting of such changes is solely to implement the relevant Benchmark Amendments.

The Agent shall be entitled to rely on such certificate (without further enquiry and without liability to any person) as sufficient evidence thereof.

- (i) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Agent, the Calculation Agent, the other Paying Agents and the Noteholders.
- (ii) Notwithstanding any other provision of this Condition 5.2(n), no Successor Rate or Alternative Rate or Adjustment Spread (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 5.2(n), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as:
  - (A) in the case of Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes, eligible liabilities and/or loss-absorbing capacity of the Issuer and/or the Group; or
  - (B) in the case of Tier 2 Subordinated Notes, Tier 2 Subordinated Capital of the Issuer and/or the Group,
- (iii) or, in the case of Senior Non-Preferred Notes only, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the Resolution Authority treating a future Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date for the purposes of qualification as eligible liabilities and/or loss-absorbing capacity of the Issuer and/or the Group.
- (iv) As used in this Condition 5.2(n):

**"Adjustment Spread"** means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in

either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable); or
- (C) (if no such determination has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable), where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) with the Successor Rate or the Alternative Rate (as the case may be).

**"Alternative Rate"** means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 5.2(n) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the Specified Currency;

**"Benchmark Amendments"** has the meaning given to it in this Condition 5.2(n);

**"Benchmark Event"** means with respect to the Rate of Interest, any one or more of the following:

- (A) the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

- (B) a public statement by the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Mid-Swap Floating Leg Benchmark Rate or Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or
- (C) a public statement by the supervisor of the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate that such Mid-Swap Floating Leg Benchmark Rate or Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate that means that such Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (E) a public statement by the supervisor of the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) that, in the view of such supervisor, (i) such Mid-Swap Floating Leg Benchmark Rate or Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market or (ii) the methodology to calculate such Mid-Swap Floating Leg Benchmark Rate or Reference Rate has materially changed; or
- (F) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011 (as amended), if applicable) or under that Regulation as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended, in each case if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D), or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such Specified Future Date.

**"Independent Adviser"** means an independent financial institution of international repute or other independent financial adviser experienced

in the international capital markets, in each case appointed by the Issuer at its own expense;

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

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

**"Successor Rate"** means a successor to or replacement of the Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) which is formally recommended by any Relevant Nominating Body.

### 5.3 Accrual of interest

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

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15 (*Notices*).

## 6. PAYMENTS

### 6.1 Method of payment

Subject as provided below:

- (a) 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 a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

## 6.2 Payments Subject to Fiscal and Other Laws

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8 (*Taxation*)) any law implementing an intergovernmental approach thereto.

## 6.3 Presentation of definitive Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 6.1 (*Method of payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the "**United States**" (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons pertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8 (*Taxation*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

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

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon **provided that** such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

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

#### **6.4 Payments in respect of Global Notes**

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

#### **6.5 General provisions applicable to payments**

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 or her share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

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

- (a) 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 and interest on the Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

#### **6.6 Payment Day**

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other

payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 9 (*Prescription*)) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
  - (i) in the case of Notes in definitive form only, in the relevant place of presentation;
  - (ii) in each Additional Financial Centre (other than T2) specified in the applicable Final Terms;
  - (iii) if T2 is specified as an Additional Financial Centre in the applicable Final Terms, on a day on which T2 is open; and
- (b) 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 (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which T2 is open.

## **6.7 Interpretation of principal and interest**

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

- (a) any additional amounts which may be payable with respect to principal under Condition 7 (*Redemption and Purchase*);
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7.9 (*Early Redemption Amounts*)) and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 (*Taxation*).

## **7. REDEMPTION AND PURCHASE**

### **7.1 Redemption at maturity**

- (a) Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount

(which shall be at least equal to the Nominal Amount of each Note) specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

- (b) Senior Non-Preferred Notes will have a maturity as permitted in accordance with Applicable Banking Regulations in force at the relevant time.
- (c) Tier 2 Subordinated Notes will have a maturity of not less than five years or as otherwise permitted in accordance with Applicable Banking Regulations in force at the relevant time.

## 7.2 Redemption for tax reasons

Subject to Condition 7.5 (*Restrictions on early redemption*), the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note or Reset Note) or on any Interest Payment Date (if this Note is a Floating Rate Note or Reset Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Agent and, in accordance with Condition 15 (*Notices*), the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount, together with interest accrued (if any) to the date fixed for redemption, if as a result of any change in, or amendment to, the laws or regulations of the Republic of Poland or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after an agreement is reached to issue the first Tranche of the Notes:

- (a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; and
- (b) in the case of Senior MREL Notes, Senior Non-Preferred Notes, Senior Subordinated Notes or Tier 2 Subordinated Notes (as applicable), the Issuer is no longer entitled to claim a deduction in respect of any payments in computing its taxation liabilities or the value of such deduction to the Issuer would be materially reduced or the applicable tax treatment of the Senior MREL Notes, Senior Non-Preferred Notes, Senior Subordinated Notes or Tier 2 Subordinated Notes (as applicable) changes,

**provided that**, in the case of Tier 2 Subordinated Notes, the Issuer demonstrates to the satisfaction of the Competent Authority that such change is material and was not reasonably foreseeable at the Issue Date, and

**provided, further, that** no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days (or such other period as may be specified in the relevant Final Terms) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days (or such other period as may be specified in the relevant Final Terms) prior to the Interest Payment Date occurring immediately before the earliest date on

which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Agent to make available at its specified office to the Noteholders: (A) a certificate signed by the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment; and (C) in the case of the Senior MREL Notes, Senior Non-Preferred Notes, Senior Subordinated Notes or the Tier 2 Subordinated Notes, if required under Applicable Banking Regulations, confirmation that the Competent Authority has given its consent to the redemption.

Upon the expiry of any such notice as is referred to in this Condition 7.2, the Issuer shall be bound to redeem the Notes in accordance with this Condition 7.2.

### **7.3 Early Redemption due to Capital Disqualification Event**

If, in respect of Tier 2 Subordinated Notes only, a Capital Disqualification Event occurs as a result of a change (or any pending change which the Competent Authority considers sufficiently certain) in Polish law, the law of any other relevant jurisdiction or Applicable Banking Regulations becoming effective on or after the Issue Date, the Issuer may, at its option and having given not less than 30 nor more than 60 calendar days' notice to the Agent and, in accordance with Condition 15 (*Notices*), the Noteholders of the Tier 2 Subordinated Notes (which notice shall be irrevocable and shall specify the date fixed for redemption), elect to redeem in accordance with these Conditions all, but not some only, of the Tier 2 Subordinated Notes at their principal amount, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

The appropriate notice referred to in this Condition 7.3 is a notice given by the Issuer to the Agent and the Noteholders, which notice shall be signed by the Issuer and shall specify:

- (a) that a Capital Disqualification Event has occurred and is continuing;
- (b) that the Issuer has obtained the prior written consent of the Competent Authority, provided that at the relevant time such consent is required to be given; and
- (c) the due date for such redemption, which shall be not less than 30 nor more than 60 days after the date on which such notice is validly given.

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

Redemption of Tier 2 Subordinated Notes for regulatory reasons pursuant to this Condition 7.3 is subject to the prior consent of the Competent Authority if and as required therefor under Applicable Banking Regulations and may only take place in accordance with Applicable Banking Regulations in force at the relevant time.

For the purposes of these Conditions:

**"Capital Disqualification Event"** means the determination by the Issuer, after consultation with the Competent Authority, that as a result of a change in Polish law or Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date (including as a result of the implementation or applicability in Poland of CRD on or after the Issue Date) which change was not reasonably foreseeable by the Issuer as at the Issue Date of such Series, the aggregate outstanding nominal amount of the Tier 2 Subordinated Notes is fully excluded or partially excluded from inclusion in the Tier 2 Subordinated Capital of the Issuer or the Group;

**"CRD"** means, taken together, the (i) CRD Directive, (ii) CRR Regulation and (iii) any CRD Implementing Measures;

**"Tier 2 Subordinated Capital"** means Tier 2 Subordinated Capital as provided under the Applicable Banking Regulations.

#### **7.4 Early Redemption due to MREL Disqualification Event**

If, in the case of Senior MREL Notes, Senior Non-Preferred Notes, Senior Subordinated Notes, Tier 2 Subordinated Notes where the MREL Disqualification Event has been specified as applicable in the applicable Final Terms only, following the MREL Requirement Date, a MREL Disqualification Event has occurred and is continuing, then the Issuer may, at its option and having given not less than 30 nor more than 60 days' notice to the Agent and, in accordance with Condition 15 (*Notices*), the Noteholders of the relevant Notes (as applicable) (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions all, but not some only, of the relevant Notes (as applicable) at their principal amount, together (if appropriate) with interest accrued to (but excluding) the date of redemption. Upon the expiry of such notice, the Issuer shall redeem the relevant Notes (as applicable).

The appropriate notice referred to in this Condition is a notice given by the Issuer to the Agent and the Noteholders, which notice shall be signed by the Issuer and shall specify:

- (a) that a MREL Disqualification Event has occurred and is continuing;
- (b) that the Issuer has obtained the prior written consent of the Relevant Resolution Authority, provided that at the relevant time such consent is required to be given; and
- (c) the due date for such redemption, which shall be not less than 30 nor more than 60 days after the date on which such notice is validly given.

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

Any refusal by the Relevant Resolution Authority to grant its approval as described above will not constitute an event of default under the relevant Notes.

Redemption of Notes pursuant to this Condition 7.4 will be subject to Condition 7.5 (*Restrictions on early redemption*).

For the purposes of these Conditions:

**"Applicable MREL Regulations"** means, at any time, the laws, regulations, requirements, guidelines and, policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the Republic of Poland, and/or of the European Parliament or of the Council of the European Union then in effect in the Republic of Poland or any other relevant jurisdiction giving effect to MREL or any successor principles then applicable to the Issuer and/or the Group, including, without limitation to the generality of the foregoing, CRD, the BRRD and those regulations, requirements, guidelines and policies giving effect to MREL or any successor principles then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group);

**"MREL"** means the "minimum requirement for own funds and eligible liabilities" for credit institutions under the BRRD, set in accordance with Article 45 of the BRRD (as transposed in Poland or any other relevant jurisdiction), Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016, supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities, or any successor requirement under the EU legislation and relevant implementing legislation and regulation in Poland or any other relevant jurisdiction;

**"MREL Disqualification Event"** means in respect of the Tier 2 Subordinated Notes, Senior Subordinated Notes, Senior Non-Preferred Notes and Senior MREL Notes, the determination by the Issuer that, as a result of any amendment to, or change in, or replacement of, the relevant Applicable Banking Regulations or any change in the application or official interpretation of any Applicable MREL Regulations, in any such case becoming effective on or after the Issue Date of the relevant Series of the Notes, the whole or any part of the outstanding aggregate principal amount of such Series at any time is not included in, ceases or (in the opinion of the Issuer or the Relevant Resolution Authority) will cease to count towards, the Issuer's or the Group's eligible liabilities and/or loss-absorbing capacity (in each case for the purposes of, and in accordance with, the relevant Applicable Banking Regulations and provided that such change was not reasonably foreseeable by the Issuer as at the Issue Date of such Series); ***provided that*** an MREL Disqualification Event shall not occur if such whole or part of the outstanding principal amount of the relevant Series of Notes is not included in, ceases or (in the opinion of the Issuer) will cease to count towards, such eligible liabilities and/or loss-absorbing capacity due to: (a) the remaining maturity of such Notes being less than the minimum period prescribed by the relevant Applicable Banking Regulations; or (b) any applicable limits on the amount of "eligible liabilities" (or any equivalent or successor term) permitted or allowed to meet any MREL Requirements applicable to the Issuer and/or the Group being exceeded;

**"MREL Requirement Date"** means the time from which the Issuer and/or the Group is obliged to meet any MREL Requirements; and

**"MREL Requirements"** means the minimum requirement for own funds and eligible liabilities applicable to the Issuer and/or the Group under the Applicable MREL Regulations.

## 7.5 Restrictions on early redemption

- (a) The Issuer may redeem in accordance with the terms of these Conditions (and give notice thereof to the Noteholders) the Senior MREL Notes, Senior Non-Preferred Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes only if such redemption is in accordance with the Applicable Banking Regulations and it has been granted the approval of or permission from (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of the Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes) the Relevant Resolution Authority and:
- (i) before or at the same time as such redemption or repurchase of any Notes, the Issuer replaces such Notes with own funds instruments (or, in the case of the Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes, eligible liabilities instruments) of an equal or higher quality at terms that are sustainable for its income capacity; or
  - (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority (in the case of Tier 2 Subordinated Notes) or the Relevant Resolution Authority (in the case of the Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes) that its own funds and eligible liabilities would, following such redemption or repurchase, exceed the requirements (in the case of Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes, for own funds and eligible liabilities) under CRD and BRRD by a margin that (in the case of Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes) the Relevant Resolution Authority, in agreement with the Competent Authority, or (in the case of Tier 2 Subordinated Notes) the Competent Authority, considers necessary; or
  - (iii) in the case of the Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes only, the Issuer has demonstrated to the satisfaction of the Relevant Resolution Authority that the partial or full replacement of the eligible liabilities with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in the CRD for continuing authorisation; and
  - (iv) in the case of redemption of Tier 2 Subordinated Notes before five years after the Issue Date of the last Tranche of such Series of Notes if the conditions listed in sub-paragraph (i) or (ii) above and one of the following conditions are met:
    - (A) in the case of redemption due to the occurrence of a Capital Disqualification Event, (i) the Competent Authority considers such change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Competent Authority that the Capital Disqualification Event was not reasonably foreseeable at the time of the issuance of the Notes; or
    - (B) in the case of redemption due to the occurrence of a taxation reason, the Issuer demonstrates to the satisfaction of the Competent Authority that the change in tax treatment is material

and was not reasonably foreseeable at the Issue Date of the most recent Tranche of the Notes of the relevant Series;

- (C) before or at the same time as such redemption or repurchase of the relevant Notes, the Issuer replaces the Notes with own funds instruments of an equal or higher quality at terms that are sustainable for its income capacity and the Competent Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
  - (D) the Notes are repurchased for market-making purposes.
- (b) Any refusal by (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of the Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes) the Relevant Resolution Authority to grant its approval or permission as described above will not constitute an event of default under the relevant Notes.

## **7.6 Redemption at the option of the Issuer (Issuer Call)**

This Condition 7.6 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than where Condition 7.2 (*Redemption for tax reasons*) applies), such option being referred to as an "Issuer Call". The applicable Final Terms contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 7.6 for full information on any Issuer Call. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Notes which can be redeemed and the applicable notice periods.

If an Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Noteholders in accordance with Condition 15 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not part) of the relevant Series of Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date.

In the case of the Senior MREL Notes, Senior Non-Preferred Notes or Subordinated Notes, redemption at the option of the Issuer pursuant to this Condition 7.6 will be subject to the prior consent of the Competent Authority if and as required therefor under Applicable Banking Regulations and may only take place in accordance with Applicable Banking Regulations in force at the relevant time.

## **7.7 Redemption at the option of the Issuer (Clean-up Call)**

This Condition 7.7 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer, such option being referred to as an "Issuer Clean-up Call". The applicable Final Terms contains provisions applicable to any Issuer Clean-up Call and must be read in conjunction with this Condition 7.7 for full information on any Issuer Clean-up Call. In particular, the applicable Final Terms will

identify the Clean-up Call Threshold, the Optional Redemption Amount (Clean-up Call) and the applicable notice periods.

If Issuer Clean-up Call is specified in the applicable Final Terms as being applicable, and if, at any time (other than as a direct result of a redemption of some, but not all, of the Notes at the Issuer's option pursuant to Condition 7.6 (*Redemption at the option of the Issuer (Issuer Call)*)), the outstanding aggregate principal amount of the Notes is 25 per cent. (or such other amount as is specified in the applicable Final Terms) or less of the aggregate principal amount of the Notes originally issued (and, for these purposes, any further Notes issued pursuant to Condition 17 (*Further Issues*) and consolidated with the Notes as part of the same Series shall be deemed to have been originally issued) (the "**Clean-up Call Threshold**"), the Issuer may redeem all (but not some only) of the remaining outstanding Notes on any date (or, if the Floating Rate Note Provisions are specified in the applicable Final Terms as being applicable, on any Interest Payment Date) upon giving not less than 15 nor more than 30 days' notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) (which notice shall specify the date for redemption and shall be irrevocable), at the Optional Redemption Amount (Clean-up Call) together with any accrued and unpaid interest up to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition 7.7, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the outstanding aggregate principal amount of the Notes is equal to or less than the Clean-up Call Threshold. The Fiscal Agent shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

In the case of the Senior MREL Notes, Senior Non-Preferred Notes or Subordinated Notes, redemption at the option of the Issuer pursuant to this Condition 7.7 will be subject to the prior consent of the Competent Authority if and as required therefor under Applicable Banking Regulations and may only take place in accordance with Applicable Banking Regulations in force at the relevant time.

## **7.8 Redemption at the option of the Noteholders (Investor Put)**

This Condition 7.8 applies to Ordinary Senior Notes which are subject to redemption prior to the Maturity Date at the option of the Noteholder, such option being referred to as an "**Investor Put**". The applicable Final Terms contains provisions applicable to any Investor Put and must be read in conjunction with this Condition 7.8 for full information on any Investor Put. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.

If, in respect of the Ordinary Senior Notes, Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 15 (*Notices*) not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Ordinary Senior Note on the Optional Redemption Date or within the time period(s) specified in the applicable Final Terms (the "**Put Period(s)**") (in the case of a Put Period such notice shall specify an Optional

Redemption Date for the Notes) and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the then current form obtainable from any specified office of any Paying Agent or (a "**Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition, and the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on their instruction by Euroclear, Clearstream, Luxembourg, or any common depository or common safekeeper, as the case may be, or by them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg by a holder of any Note pursuant to this Condition 7.8 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 7.8 and instead to declare such Note forthwith due and payable pursuant to Condition 10 (*Events of Default*).

## **7.9 Early Redemption Amounts**

For the purpose of Condition 7.2 (*Redemption for tax reasons*) and Condition 10 (*Events of Default*), each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (a) in the case of a Note with a Final Redemption Amount equal to the Issue Price of the first Tranche of the Series, at the Final Redemption Amount thereof;
- (b) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price of the first Tranche of the Series, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (c) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

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

where:

"RP" means the Reference Price;

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

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

#### **7.10 Purchases**

Subject to Condition 7.5 (*Restrictions on early redemption*), the Issuer or any Subsidiary of the Issuer may at any time purchase Notes (**provided that**, in the case of definitive Notes, all unmatured Coupons and Talons pertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

Tier 2 Subordinated Notes may only be purchased by the Issuer or any of the Issuer's subsidiaries, if and to the extent permitted by the Applicable Banking Regulations at the relevant time the Notes to be purchased: (a) comply with any applicable threshold as may be requested or required by the Relevant Resolution Authority from time to time; and (b) are purchased in order to be surrendered to any Paying Agent for cancellation.

Any refusal by (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of the Senior MREL Notes, the Senior Non-Preferred Notes or the Senior Subordinated Notes) the Relevant Resolution Authority to grant its approval or permission as described above will not constitute an Event of Default under the relevant Notes.

#### **7.11 Cancellation**

All Notes purchased for cancellation will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 7.8 (*Redemption at the option of the Noteholders (Investor Put)*) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

## 7.12 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 7.1 (*Redemption at maturity*), 7.2 (*Redemption for tax reasons*), 7.3 (*Early Redemption due to Capital Disqualification Event*) or 7.4 (*Early Redemption due to MREL Disqualification Event*) above or upon its becoming due and repayable as provided in Condition 10 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 7.9(c) (*Early Redemption Amounts*) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15 (*Notices*).

## 8. TAXATION

All amounts payable in respect of the Notes (whether in respect of interest or, in the case of Ordinary Senior Notes only, principal, redemption amount or otherwise) by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties or charges 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 or Coupons after such withholding or deduction in the case of Ordinary Senior Notes, or interest only, in the case of Senior MREL Notes, Senior Non-Preferred Notes, Senior Subordinated Notes or Tier 2 Subordinated Notes, as would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (a) held by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with a Tax Jurisdiction other than the mere holding of the Note or Coupon;
- (b) where the relevant Note or Coupon is presented or surrendered 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 such additional amounts on presenting or surrendering such Note or Coupon or payment on the last day of such period of 30 days; or
- (c) where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder or any official interpretations thereof.

As used herein:

- (i) "**Tax Jurisdiction**" means Poland or any other jurisdiction, or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) 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 Agent 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 15 (*Notices*).

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

## 9. **PRESCRIPTION**

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6.3 (*Presentation of definitive Notes and Coupons*) or any Talon which would be void pursuant to Condition 6.3 (*Presentation of definitive Notes and Coupons*).

## 10. **EVENTS OF DEFAULT**

### 10.1 **Events of Default relating to Ordinary Senior Notes**

This Condition 10.1 is applicable in relation to Ordinary Senior Notes only.

The following events or circumstances (each an "**Event of Default**") shall be events of default in relation to the Ordinary Senior Notes of any Series, namely:

- (a) Non-payment

The Issuer fails to pay any amount of interest or principal due in respect of the Ordinary Senior Notes of the relevant Series or any of them on the due date for payment thereof and such default continues for a period of seven days on which banks are open for business in Poland; or

- (b) Breach of Other Obligations

If the Issuer fails to perform or observe any of its other material obligations under these Conditions in respect of the Ordinary Senior Notes of the relevant Series or the Agency Agreement and (except in any case where the failure is incapable of remedy when no continuation or notice as hereinafter mentioned

will be required) the failure continues for the period of 30 days next following the service by any holder of the Ordinary Senior Notes on the Issuer of notice requiring the same to be remedied; or

(c) Cross Acceleration

If any Relevant Indebtedness of the Issuer or any of its Material Subsidiaries becomes due and repayable prematurely by reason of any event of default (however described) or the Issuer or any of its Material Subsidiaries fails to make any payment in respect of any Relevant Indebtedness on the due date thereof as extended by any applicable grace period or if default is made by the Issuer or any of its Material Subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any Relevant Indebtedness of any other person, **provided that** no such event shall constitute an Event of Default unless the Relevant Indebtedness or other relative liability either alone or when aggregated with other Relevant Indebtedness and/or other liabilities relative to all (if any) other such event which shall have occurred and be continuing shall amount to at least €15,000,000 or its equivalent in any other currency; or

(d) Dissolution

If any order is made by any competent court or a resolution is passed for the dissolution of the Issuer or any of its Material Subsidiaries, save for, in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent; or

(e) Cessation of Business

If the Issuer or any of its Material Subsidiaries ceases or announces an intention to cease to carry on the whole or substantially the whole of its business, save for (i) in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent or in other instances; (ii) the purposes of a reorganisation of the Issuer and any such Material Subsidiary on terms approved by an Extraordinary Resolution of the Noteholders or (iii) as otherwise permitted by applicable law; or

(f) Insolvency/Winding up

If (i) the Issuer is insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; (ii) proceedings are initiated against any of the Issuer's Material Subsidiaries under any applicable bankruptcy, restructuring, liquidation, insolvency or composition laws or a receiver or manager under or in respect of any such law is appointed in relation to any of the Issuer's Material Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or any encumbrance takes possession of the whole or substantially the whole of the undertaking or assets of any of them, or a distress,

execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them, and (iii) in any case is not discharged within two months; or if any of the Issuer's Material Subsidiaries initiates or consents to judicial or other proceedings relating to itself under any applicable bankruptcy, restructuring, liquidation, insolvency or composition laws or makes a transfer of title or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) in relation to any such law or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors) under any above law.

(g) **Withdrawal of Banking Licence**

If the banking operations of the Issuer are suspended or the Issuer's banking licence is withdrawn pursuant to applicable Polish banking law.

## 10.2 **Definitions**

In these Conditions:

**"Auditors"** means the auditors from time to time of the Issuer, as the context may require, or, in the event of any of them being unable or unwilling to carry out any actions requested of them pursuant to these Conditions, means any other firm of certified accountants of international standing or repute in Poland nominated by the Issuer;

**"Material Subsidiary"** means any Subsidiary of the Issuer: (a) whose gross revenues (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 15 per cent. of the consolidated gross revenues of the Issuer, or, as the case may be, consolidated total assets, of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated, or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries; or (b) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately before the transfer is a Material Subsidiary of the Issuer, all as more particularly defined in the Agency Agreement. A certificate by the Management Board of the Issuer confirming that in their opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time a Material Subsidiary of the Issuer accompanied by a report of the Auditors addressed to the Issuer (as to proper extraction of the figures used by the Management Board of the Issuer in determining the Material Subsidiaries of the Issuer and mathematical accuracy of the calculation) shall, in the absence of manifest error, be conclusive and binding on all parties.

**"Subsidiary"** means any company or corporation: (A) which is controlled, directly or indirectly, by the first-mentioned company or corporation; or (B) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or (C) which is a Subsidiary of another Subsidiary of the first-mentioned company or corporation, and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

### **10.3 Events of Default relating to Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes and Tier 2 Subordinated Notes**

Save as provided below, there are no events of default under the Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes or Tier 2 Subordinated Notes, which could lead to an acceleration of the relevant Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes or Tier 2 Subordinated Notes.

However, if an order is made by any competent court commencing insolvency proceedings against the Issuer or if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer and such order is continuing, then any Note may, unless there has been a resolution to the contrary by the Noteholders, by written notice addressed by the Noteholder thereof to the Issuer and delivered to the Issuer and to the Specified Office of the Issue and Principal Paying Agent (and addressed to the Issuer), be declared immediately due and payable, whereupon the principal amount of such Notes together with any accrued and unpaid interest thereon to the date of payment shall become immediately due and payable without further action or formality.

### **10.4 Notices relating to Events of Default**

Neither a reduction or cancellation, in part or in full, of the principal or any other redemption amount of, or any interest on, the Notes or any other outstanding amounts due under or in respect of the Notes, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of any Polish bail-in power by the Competent Authority with respect to the Issuer, nor the exercise of any Polish bail-in power by the Competent Authority with respect to the Notes pursuant to Condition 20 (*Acknowledgment of Bail-in and Loss Absorption Powers*), will be an Event of Default.

### **10.5 Occurrence of Event of Default**

Subject to Condition 10.3 (*Events of Default relating to Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes and Tier 2 Subordinated Notes*) if any Event of Default shall occur and be continuing in relation to any Series, any holder of a Note of the relevant Series may, by written notice to the Issuer, at the specified office of the Paying Agent, declare that such Note and (if the Note is interest-bearing) all interest then accrued on such Note shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its early termination amount (which shall be its outstanding principal amount or, if such Note is non interest bearing, its Amortised Face Amount (as defined in Condition 7.9(c) (*Early Redemption Amounts*)) or such other redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Final Terms, together with all interest (if any) accrued thereon without presentation, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Notes to the contrary notwithstanding, unless, prior thereto, all Events of Default in respect of the Notes of the relevant Series shall have been cured.

## **11. SUBSTITUTION AND VARIATION**

If Substitution and Variation is specified in the relevant Final Terms as being applicable to the Notes and (i) a Capital Disqualification Event, (ii) an MREL Disqualification

Event or (iii) a circumstance giving rise to the right of the Issuer to redeem the Notes for taxation reasons under Condition 7.2 (*Redemption for tax reasons*) occurs and is continuing, or to ensure the effectiveness or enforceability of Condition 20 (*Acknowledgment of Bail-in and Loss Absorption Powers*), the Issuer may substitute all (but not some only) of the Notes (as the case may be) or modify the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to, become, or remain, Qualifying Notes, subject to having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 15 (*Notices*) and the Agent (which notice shall be irrevocable and shall specify the date for substitution or, as applicable, variation), and subject to obtaining the prior consent of the Competent Authority if and as required therefor under Applicable Banking Regulations and in accordance with Applicable Banking Regulations in force at the relevant time, **provided that** in each case

- (a) such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities;
- (b) such variation or substitution would not itself directly lead to a downgrade in any of the credit ratings solicited by the Issuer of the Notes as assigned to such Notes by any Rating Agency immediately prior to such variation or substitution (unless any such downgrade is solely attributable to the effectiveness and enforceability of Condition 20 (*Acknowledgment of Bail-in and Loss Absorption Powers*)); and
- (c) such variation or substitution is not materially less favourable to Noteholders of the relevant Notes (unless any such prejudice is solely attributable to the effectiveness and enforceability of Condition 20 (*Acknowledgment of Bail-in and Loss Absorption Powers*)).

Any refusal by (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes) the Relevant Resolution Authority to grant its approval as described above will not constitute an event of default under the relevant Notes.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new Conditions of the Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

Noteholders shall, by virtue of subscribing and/or purchasing and holding any Notes, be deemed to accept the substitution or variation of the terms of such Notes and to grant to the Issuer full power and authority to take any action and/or to execute and deliver any document in the name and/or on behalf of the Noteholders which is necessary or convenient to complete the substitution or variation of the terms of the Notes.

In these Conditions:

**"Qualifying Notes"** means, at any time, any securities denominated in the Specified Currency and issued directly by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 20 (*Acknowledgment of Bail-in and Loss Absorption Powers*), have terms not otherwise materially less favourable to the Noteholders than

the terms of the Notes, provided that the Issuer shall have delivered a certificate signed by two authorised signatories to that effect to the Noteholders not less than five Business Days prior to (x) in the case of a substitution of the Notes pursuant to this Condition 11, the issue date of the relevant securities or (y) in the case of a variation of the Notes pursuant to this Condition 11, the date such variation becomes effective, provided that such securities shall:

- (a) (i) in the case of Senior MREL Notes, Senior Non-Preferred Notes or Senior Subordinated Notes, if the MREL Requirement Date has occurred, contain terms which comply with the then-current requirements for MREL-eligible Notes as embodied in the Applicable MREL Regulations, and (ii) in the case of Tier 2 Subordinated Notes, contain terms which comply with the then-current requirements for their inclusion in the Tier 2 Subordinated Capital of the Issuer; and
- (b) carry the same rate of interest as the Notes prior to the relevant substitution or variation pursuant to this Condition 11 (*Substitution and Variation*); and
- (c) have the same denomination and aggregate outstanding principal amount as the Notes prior to the relevant substitution or variation pursuant to this Condition 11 (*Substitution and Variation*); and
- (d) have the same date of maturity and the same dates for payment of interest as the Notes prior to the relevant substitution or variation pursuant to this Condition 11 (*Substitution and Variation*); and
- (e) have at least the same ranking; and
- (f) not, immediately following such substitution or variation, be subject to a Capital Disqualification Event, an MREL Disqualification Event and/or an early redemption right for taxation reasons according to Condition 7.2 (*Redemption for tax reasons*), as applicable; and
- (g) be listed or admitted to trading on any stock exchange as selected by the Issuer, if the Notes were listed or admitted to trading on a stock exchange immediately prior to the relevant substitution or variation pursuant to this Condition 11 (*Substitution and Variation*).

## 12. **REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs, taxes, duties and expenses as may be incurred in connection therewith and on such terms as to evidence security and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## 13. **AGENTS**

The initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled 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 an Agent;
- (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, which may be the Agent, with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall immediately appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.5 (*General provisions applicable to payments*). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly in accordance with Condition 15 (*Notices*).

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholder or Couponholder. 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.

#### 14. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it pertains) a further Talon, subject to the provisions of Condition 9 (*Prescription*).

#### 15. NOTICES

All notices regarding the Notes will be deemed to be validly given if published (a) in a leading English language daily newspaper of general circulation in London and on the Issuer's website <https://www.bankmillennium.pl/en/about-the-bank/investor-relations> and (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of, the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg or the Luxembourg Stock Exchange's website, [www.luxse.com](http://www.luxse.com). It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and the *Luxemburger Wort* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. 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.

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 or are admitted to trading by another relevant authority, such notice will be published in such manner as may be required by the rules of that stock exchange or relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes on 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 (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### **16. MEETINGS OF NOTEHOLDERS, MODIFICATION AND SUBSTITUTION**

The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening (including by way of conference call or by use of a videoconference platform) meetings of the holders of Notes of any Series to consider any matter affecting their interest, including (without limitation) the modification by Extraordinary Resolution (as defined in the Agency Agreement) of the Notes, the Coupons or any of the provisions of the Agency Agreement or the Deed of Covenant. Such a meeting may be convened by the Issuer 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 not less than 50 per cent. in 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 Coupons or the Deed of Covenant or the Agency Agreement (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), 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 holders of Notes of any Series will be binding on all holders of the Notes of such Series, whether or not they are present and/or voting at the meeting, and on all holders of Coupons relating to Notes of such Series.

The Issuer may, with the consent of the Agent, but without the consent of the holders of the Notes of any Series or Coupons, agree to:

- (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

In addition, the parties to the Agency Agreement may agree such modifications to the Agency Agreement, the Notes, these Conditions and the Deed of Covenant as may be required in order to give effect to Condition 5.2(n) (*Benchmark Replacement (Independent Adviser)*) in connection with effecting any Alternative Reference Rate, Successor Rate, Adjustment Spread or Benchmark Amendments referred to in Condition 5.2(n) (*Benchmark Replacement (Independent Adviser)*) without the requirement for the consent or sanction of the Noteholders or Couponholders.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 (*Notices*) above as soon as practicable thereafter.

The Issuer, or any previous substituted company, may, at any time, without the consent of the holders of the Notes of any Series or Coupons, substitute for itself as principal debtor under the Notes, the Coupons and the Talons any company (the "**Substitute**") that is a Subsidiary of the Issuer, **provided that** no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the "**Deed Poll**"), to be substantially in the form scheduled to the Agency Agreement as Schedule 8, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each holder of a Note, Coupon or Talon against any tax, duty, assessment or governmental charge that is imposed on it by, or by any authority in or of, the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note, Coupon, Talon or the Deed of Covenant and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) the obligations of the Substitute under the Deed Poll, the Notes, Coupons, Talons and the Deed of Covenant shall be unconditionally guaranteed by the Issuer by means of the Deed Poll, (iii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes, Coupons, Talons and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute and in the case of the Deed Poll of the Issuer have been taken, fulfilled and done and are in full force and effect, (iv) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (v) legal opinions addressed to the holders of Notes shall have been delivered to them (care of the Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in limb (i) above and in England as to the fulfilment of the preceding conditions of limb (iii) above and the other matters specified in the Deed Poll and (vi) the Issuer shall have given at least 14 days'

prior notice of such substitution to the holders of Notes, stating that copies or, pending execution, the agreed text of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to holders of Notes, shall be available for inspection at the specified office of each of the Paying Agents. References in Condition 10 (*Events of Default*) to obligations under the Notes shall be deemed to include obligations under the Deed Poll, and, where the Deed Poll contains a guarantee, the events listed in Condition 10 (*Events of Default*) shall be deemed to include that guarantee not being (or being claimed by the guarantor not to be) in full force and effect.

## 17. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## 18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

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

## 19. GOVERNING LAW AND SUBMISSION TO JURISDICTION

### 19.1 Governing law

The Agency Agreement, the Deed of Covenant, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes and the Coupons are, and shall be, governed by, and construed in accordance with, English law except the provisions of Condition 2 (*Status of the Notes*), Condition 20 (*Acknowledgment of Bail-in and Loss Absorption Powers*) and Condition 21 (*Recognition of Stay Powers*) which shall be governed by, and construed in accordance with, Polish law.

### 19.2 Submission to jurisdiction

- (a) The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a "**Dispute**"), and accordingly each of the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 19.2, each of the Issuer and any Noteholders or Couponholders taking proceedings in relation to any Dispute waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

### **19.3 Appointment of Process Agent**

The Issuer irrevocably appoints Banco Comercial Português, S.A., London Representative Office at its office at 5<sup>th</sup> Floor, 1-3 Fredericks Place, EC2R 8AE London, United Kingdom as its agent for service of process, in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of Banco Comercial Português, S.A., London Representative Office being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

### **19.4 Other documents**

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

## **20. ACKNOWLEDGMENT OF BAIL-IN AND LOSS ABSORPTION POWERS**

Notwithstanding, and to the exclusion of, any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Noteholder (which, for the purposes of this Condition 20, includes each holder of a beneficial interest in the Notes), by its acquisition of the Notes, each Noteholder acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

- (a) the effect of the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:
  - (i) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes and/or Coupons;
  - (ii) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes and/or Coupons into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder, Couponholder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes and/or Coupons (in which case the Noteholder or the Couponholder agrees to accept, in lieu of its rights under the Notes and/or Coupons, any such shares, securities or other obligations of the Issuer or another person);
  - (iii) the cancellation of the Notes or Coupons the Relevant Amounts in respect of the Notes;
  - (iv) amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date(s) on which

interest becomes payable, including by suspending payment for a temporary period; and

- (v) the variation of the terms of the Notes, if necessary, to give effect to the exercise of any Polish bail-in power by the Competent Authority and/or the Relevant Resolution Authority.
- (b) By its acquisition of the Notes, each Noteholder (including, for these purposes, each holder of a beneficial interest in the Notes): (i) acknowledges, accepts, consents and agrees to be bound by the exercise of any Bail-in and Loss Absorption Powers as may be exercised without any prior notice by the Competent Authority and/or the Relevant Resolution Authority of its decision to exercise such power with respect to such Notes; and (ii) shall be deemed to have authorised, directed and requested Euroclear and Clearstream, Luxembourg, any accountholder in Euroclear or Clearstream, Luxembourg or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the exercise of any Bail-in and Loss Absorption Powers with respect to such Notes as it may be exercised, without any further action or direction on the part of such Noteholder or any Agent.
- (c) Upon the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable regarding such exercise of the Bail-in and Loss Absorption Powers. The Issuer will also deliver a copy of such notice to the Agents for information purposes. Each Noteholder acknowledges, accepts, consents and agrees that any delay or failure by the Issuer to notify the Noteholders under this paragraph shall not affect (or be deemed to operate to affect) the validity and enforceability of the exercise of Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority.
- (d) Neither a reduction or cancellation, in part or in full, of the principal or any other redemption amount of, or any interest on, the Notes or any other outstanding amounts due under or in respect of the Notes, the conversion thereof into another security or obligation of the Issuer or another person or the variation of the terms of the Notes, as a result of the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority with respect to the Notes pursuant to this Condition 20, will be an Event of Default.

In these Conditions:

**"Bail-in and Loss Absorption Powers"** means any loss absorption, write-down, conversion, transfer, modification, suspension or similar or resolution-related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Poland, relating to (i) the transposition of the BRRD and (ii) the instruments, rules and standards created under the BRRD pursuant to which any obligation of the Issuer (or any affiliate of the Issuer)

can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period); and

**"Relevant Amounts"** means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and additional amounts due on the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority.

## 21. RECOGNITION OF STAY POWERS

**21.1** By its subscription and/or purchase and holding of the Notes, each Noteholder (which for the purposes of this Condition 21, includes each holder of a beneficial interest in the Notes), where a resolution measure is taken in relation to the Issuer or any member of the same group as the Issuer which is an EU BRRD undertaking:

- (a) acknowledges and accepts that the Notes may be subject to the exercise of Stay Powers;
- (b) acknowledges and accepts that it is bound by the application or exercise of any such Stay Powers; and
- (c) confirms that this Condition 21 represents the entire agreement with the Issuer on the potential impact of Stay Powers in respect of the Notes, to the exclusion of any other agreement, arrangement or understanding between parties,

to the extent that such Stay Powers apply to the Notes.

**21.2** In accordance with Article 68 (Exclusion of certain contractual terms in early intervention and resolution) of the BRRD and any relevant implementing measures in any member state, by its subscription and/or purchase and holding of the Notes, each Noteholder further acknowledges and agrees that the application or exercise of any such Stay Powers shall not, per se, be deemed to be an enforcement event within the meaning of Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements or as insolvency proceedings within the meaning of Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems, and that Noteholders shall not be entitled to take any of the steps outlined under Article 68(3) of the BRRD and any relevant implementing measures in any member state against the Issuer.

**21.3** For the purpose of these Conditions:

- (a) **"Stay Powers"** means the powers of a relevant resolution authority to suspend or restrict rights and obligations under:
  - (A) Article 33a (Power to suspend payment or delivery obligations);
  - (B) Article 69 (Power to suspend payment or delivery obligations);
  - (C) Article 70 (Power to restrict the enforcement of any security interest);and

(D) Article 71 (Power to temporarily suspend any termination right),

of the BRRD and any relevant implementing measures in any member state including Articles 142 – 144a of the Act on Bank Guarantee Fund;

- (b) "**EU BRRD undertaking**" means an entity within the scope of Article 71a of the BRRD and any relevant implementing measures in any EEA member state; and
- (c) "**resolution measure**" means "resolution" or the application of a "resolution tool", "crisis prevention measure" or "crisis management measure" within the meaning of the BRRD and any relevant implementing measures in any member state.


## SIGNATURES

**THIS AGREEMENT** has been entered into on the date stated at the beginning of this Agreement.

*The Issuer*

**BANK MILLENNIUM S.A.**

By: Deputy Chairman  
of the Management Board

  
*Fernando Bicho*

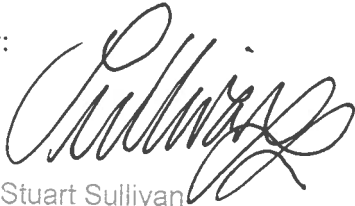
By:

Management Board Member  
  
*Wojciech Haase*

*The Agent*

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

By:

A handwritten signature in black ink, appearing to read "Stuart Sullivan", written in a cursive style.

Stuart Sullivan  
Vice President