

**EXECUTION VERSION**

**AGENCY AGREEMENT**

**DATED 22 JANUARY 2025**

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**

**and**

**DEUTSCHE BANK AG, HONG KONG BRANCH**

**relating to the**

**U.S.\$10,000,000,000  
EURO MEDIUM TERM NOTE PROGRAMME**

**A&O SHEARMAN**

**Allen Overy Shearman Sterling**

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**THIS AGENCY AGREEMENT** is dated 22 January 2025

**BETWEEN:**

- (1) **NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED** (the **Issuer**); and
- (2) **DEUTSCHE BANK AKTIENGESELLSCHAFT**, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong with its principal place of business in Hong Kong at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong (also known as Deutsche Bank AG, Hong Kong Branch) in its capacity as the principal paying agent, the registrar and the transfer agent (the **Principal Paying Agent**, the **Registrar** and the **Transfer Agent**, respectively, which expressions shall include any successors appointed thereof under Clause 23).

**IT IS AGREED:**

## **1. DEFINITIONS AND INTERPRETATION**

### **1.1 In this Agreement:**

**Agents** mean each of the Paying Agents, the Registrar, the Transfer Agents and **Agent** means any one of them;

**Auditors** means the auditors for the time being of the Issuer or, in the event of their being unable or unwilling to carry out promptly any action requested of them pursuant to the provisions of this Agreement and/or the Conditions, such other independent firm of accountants as may be selected by the Issuer;

**Bearer Global Note** means a Temporary Bearer Global Note and/or a Permanent Bearer Global Note;

**Bearer Notes** means those of the Notes which are in bearer form;

**Calculation Agency Agreement** in relation to any Series of Notes means an agreement in or substantially in the form of Schedule 1;

**Calculation Agent** means, in relation to any Series of Notes, the person appointed as calculation agent in relation to the Notes by the Issuer pursuant to the provisions of a Calculation Agency Agreement (or any other agreement), and where the Principal Paying Agent is appointed as calculation agent, pursuant to this Agreement, and shall include any successor calculation agent appointed in respect of the Notes;

**Clearstream** means Clearstream Banking S.A.;

**Code** means the US Internal Revenue Code of 1986;

**Conditions** means, in relation to the Notes of any Series, the terms and conditions endorsed on or incorporated by reference into the Note or Notes constituting the Series, the terms and conditions being in or substantially in the form set out in Schedule 2 or in such other form, having regard to the terms of the Notes of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer as completed by the applicable Pricing Supplement which may modify and supplement such terms and conditions;

**Coupon** means an interest coupon appertaining to a Definitive Bearer Note (other than a Zero Coupon Note), the coupon being:

- (a) if appertaining to a Fixed Rate Note, in the form or substantially in the form set out in Part 5 of Schedule 6 or in such other form, having regard to the terms of issue of the Notes of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer; or
- (b) if appertaining to a Floating Rate Note in the form or substantially in the form set out in Part 5 of Schedule 6 or in such other form, having regard to the terms of issue of the Notes of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer; or
- (c) if appertaining to a Definitive Bearer Note which is neither a Fixed Rate Note nor a Floating Rate Note in such form as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer,

and includes, where applicable, the Talon(s) appertaining to the relevant Note and any replacements for Coupons and Talons issued pursuant to Condition 10 (*Replacement of Notes, Coupons and Talons*);

**Couponholders** means the several persons who are for the time being holders of the Coupons and shall, unless the context otherwise requires, include the holders of Talons and the expressions **Couponholder**, **holder of Coupons** and related expressions shall be construed accordingly;

**Definitive Bearer Note** means a Bearer Note in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the Issuer and the relevant Dealer in exchange for all or (in the case of a Temporary Bearer Global Note) part of a Global Note in bearer form, the Definitive Bearer Note being in or substantially in the form set out in Part 4 of Schedule 6 with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer and having the Conditions endorsed on it or, if permitted by the relevant authority or authorities and agreed by the Issuer and the relevant Dealer, incorporated in it by reference and having the applicable Pricing Supplement (or the relevant provisions of the applicable Pricing Supplement) either incorporated in it or endorsed on it and (except in the case of a Zero Coupon Note) having Coupons and, where appropriate, Talons attached to it on issue;

**Definitive Notes** means Definitive Bearer Notes and/or, as the context may require, Definitive Registered Notes;

**Definitive Registered Note** means a Registered Note in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the Issuer and the relevant Dealer either on issue or in exchange for all of a Registered Global Note, the Registered Note in definitive form being in or substantially in the form set out in Part 7 of Schedule 6 with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer and having the Conditions endorsed on it or attached to it or, if permitted by the relevant authority or authorities and agreed by the Issuer and the relevant Dealer, incorporated in it by reference and having the applicable Pricing Supplement (or the relevant provisions of the applicable Pricing Supplement) either incorporated in it or endorsed on it or attached to it;

**Distribution Compliance Period** has the meaning given to that term in Regulation S under the Securities Act;

**Euroclear** means Euroclear Bank SA/NV;

**FATCA Withholding** means 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 (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement);

**Fixed Rate Note** means a Note on which interest is calculated at a fixed rate payable in arrear on one or more Interest Payment Dates in each year as may be agreed between the Issuer and the relevant Dealer, as indicated in the applicable Pricing Supplement;

**Floating Rate Note** means a Note on which interest is calculated at a floating rate, payable in arrear on one or more Interest Payment Dates in each year as may be agreed between the Issuer and the relevant Dealer, as indicated in the applicable Pricing Supplement;

**Global Note** means a Temporary Bearer Global Note and/or a Permanent Bearer Global Note and/or a Registered Global Note, as the context may require;

**Guarantee** means the guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time) made by various Local Authorities (as defined in the Local Government Act 2002 of New Zealand) in favour of the Security Trustee;

**Issue Date** means, in respect of any Note, the date of issue and purchase of the Note under clause 2 of the Programme Agreement or any other agreement between the Issuer and the relevant Dealer being, in the case of any Definitive Note represented initially by a Global Note, the same date as the date of issue of the Global Note which initially represented the Note;

**Noteholders** means the several persons who are for the time being the bearers of Bearer Notes and the registered holders of Registered Notes save that, in respect of the Notes of any Series, for so long as the Notes or any part of them are represented by a Global Note held by a common depository or otherwise on behalf of Euroclear and Clearstream each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or of Clearstream as the holder of a particular nominal amount of the Notes of the Series (in which regard any certificate or other document issued by Euroclear or Clearstream as to the nominal amount of the 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 deemed to be the holder of that nominal amount of Notes (and the bearer or registered holder of the relevant Global Note shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer or registered holder of the relevant Global Note shall be treated by the Issuer and any Agent as the holder of the Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder**, **holder of Notes** and related expressions shall be construed accordingly;

**outstanding** means, in relation to the Notes of any Series, all the Notes issued other than:

- (a) those Notes which have been redeemed and cancelled pursuant to the Conditions;
- (b) those Notes in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest (if any) accrued on such Notes to the date for such redemption and any interest (if any) payable under the Conditions after such date) have been duly paid to or to the order of the Principal Paying Agent in the manner provided in this Agreement (and where appropriate notice to that effect has been given to the Noteholders in accordance with the Conditions) and remain available for payment of the relevant Notes and/or Coupons;
- (c) those Notes which have been purchased and cancelled in accordance with the Conditions;

- (d) those Notes which have become void or in respect of which claims have become prescribed under the Conditions;
- (e) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued under the Conditions;
- (f) (for the purpose only of ascertaining the nominal amount of the Notes which are outstanding and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued under the Conditions;
- (g) any Temporary Bearer Global Note to the extent that it has been exchanged for Definitive Bearer Notes or a Permanent Bearer Global Note and any Permanent Bearer Global Note to the extent that it has been exchanged for Definitive Bearer Notes in each case under its provisions; and
- (h) any Registered Global Note to the extent that it has been exchanged for Definitive Registered Notes and any Definitive Registered Note to the extent it has been exchanged for an interest in a Registered Global Note,

provided that for the purpose of:

- (i) ascertaining the right to attend and vote at any meeting of the Noteholders of the Series or passing an Extraordinary Resolution (as defined in Schedule 5) in writing or by way of electronic consents given through the relevant clearing systems as envisaged by Schedule 5; and
- (ii) determining how many and which Notes of the Series are for the time being outstanding for the purposes of Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and clauses 3, 4.1, 4.4, and 4.6 of Schedule 5,

those Notes (if any) which are for the time being held by or for the benefit of the Issuer shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

**Paying Agent** means the Principal Paying Agent and the Paying Agents referred to above and such further or other Paying Agent or Agents as may be appointed from time to time hereunder;

**Permanent Bearer Global Note** means a global note in the form or substantially in the form set out in Part 2 of Schedule 6 together with the copy of the applicable Pricing Supplement attached to it with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer, comprising some or all of the Bearer Notes of the same Series issued by the Issuer under the Programme Agreement or any other agreement between the Issuer and the relevant Dealer;

**Programme Agreement** means the programme agreement dated 22 January 2025 between the Issuer and the Arranger and the Dealers named in it;

**Put Notice** means a notice in the form set out in Schedule 4;

**Reference Banks** means in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market selected by the Issuer or as otherwise specified in the applicable Pricing Supplement;

**Registered Global Note** means a global note in or substantially in the form set out in Part 3 of Schedule 6 together with the copy of the applicable Pricing Supplement attached to it with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent and the relevant

Dealer, comprising some or all of the Registered Notes of the same Series issued by the Issuer under the Programme Agreement or any other agreement between the Issuer and the relevant Dealer;

**Registered Notes** means those of the Notes which are in registered form;

**Registrar** means the Registrar referred to above (or such other Registrar as may be appointed hereunder either generally or in relation to a specific Series of Notes);

**Regulation S** means Regulation S under the Securities Act;

**Security Trust Deed** means the security trust deed dated 7 December 2011 (as amended, supplemented or restated from time to time) between the Issuer and the Security Trustee;

**Security Trustee** means TEL Security Trustee (LGFA) Limited as security trustee under the Security Trust Deed;

**Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and the expressions **Notes of the relevant Series** and **holders of Notes of the relevant Series** and related expressions shall be construed accordingly;

**specified office** of any Agent means the office specified or any other specified offices as may from time to time be duly notified pursuant to Clause 26;

**Stock Exchange** means the Singapore Exchange Securities Trading Limited (the **SGX-ST**) or any other or further stock exchange(s) on which any Notes may from time to time be listed and/or admitted to trading, and references in this Agreement to the relevant Stock Exchange shall, in relation to any Notes, be references to the Stock Exchange on which such Notes are, from time to time, or are intended to be, listed and/or admitted to trading;

**Talon** means a talon attached on issue to a Definitive Bearer Note (other than a Zero Coupon Note) which is exchangeable in accordance with its provisions for further Coupons appertaining to the Note, the talon being in or substantially in the form set out in Part 6 of Schedule 6 or in such other form as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer and includes any replacements for Talons issued pursuant to Condition 12 (*Exchange of Talons*);

**Temporary Bearer Global Note** means a global note in the form or substantially in the form set out in Part 1 of Schedule 6 together with the copy of the applicable Pricing Supplement attached to it with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent and the relevant Dealer, comprising some or all of the Bearer Notes of the same Series issued by the Issuer under the Programme Agreement or any other agreement between the Issuer and the relevant Dealer;

**Tranche** means Notes which are identical in all respects (including as to listing);

**Transfer Agent** means the Transfer Agent referred to above and such further or other Transfer Agent or Agents as may be appointed from time to time hereunder either generally or in relation to a specific Series of Notes; and

**Zero Coupon Note** means a Note on which no interest is payable.

- 1.2 (a) In this Agreement, unless the contrary intention appears, a reference to:



- (i) an **amendment** includes a supplement, restatement or novation and **amended** is to be construed accordingly;
  - (ii) a **person** includes any individual, company, unincorporated association, government, state agency, international organisation or other entity and, in all cases, includes its successors and assigns;
  - (iii) the **records** of Euroclear and Clearstream shall be to the records that each of Euroclear and Clearstream holds for its customers which reflect the amount of such customer's interest in the Notes;
  - (iv) a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted;
  - (v) a clause or Schedule is a reference to a clause of, or a schedule to, this Agreement;
  - (vi) a document is a reference to that document as amended and/or supplemented and/or restated from time to time; and
  - (vii) a time of day is a reference to Hong Kong time.
- (b) The headings in this Agreement do not affect its interpretation.
  - (c) Terms and expressions defined in the Programme Agreement or the Notes or used in the applicable Pricing Supplement shall have the same meanings in this Agreement, except where the context otherwise requires or unless otherwise stated.
  - (d) All references in this Agreement to costs or charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof.
  - (e) All references in this Agreement to Notes shall, unless the context otherwise requires, include any Global Note representing the Notes.
  - (f) All references in this Agreement to principal and/or interest or both in respect of the Notes or to any moneys payable by the Issuer under this Agreement shall be construed in accordance with Condition 5 (*Payments*).
  - (g) All references in this Agreement to the relevant currency shall be construed as references to the currency in which payments in respect of the relevant Notes and/or Coupons are to be made.
  - (h) All references in this Agreement to Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Paying Agent or as otherwise specified in Part B of the applicable Pricing Supplement.
  - (i) All references in this Agreement to applicable Pricing Supplement shall, whenever the context so permits, be deemed to include a reference to applicable Pricing Supplement.

1.3 For the purposes of this Agreement, the Notes of each Series shall form a separate series of Notes and the provisions of this Agreement shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in this Agreement the expressions **Notes, Noteholders, Coupons, Couponholders, Talons, Talonholders** and related expressions shall be construed accordingly.

## 2. APPOINTMENT OF AGENTS

2.1 The Issuer appoints the Principal Paying Agent, and the Principal Paying Agent agrees to act, as principal paying agent of the Issuer, upon the terms and subject to the conditions set out below, for the following purposes:

- (a) completing, authenticating and delivering Temporary Bearer Global Notes and Permanent Bearer Global Notes and (if required) authenticating and delivering Definitive Bearer Notes;
- (b) exchanging Temporary Bearer Global Notes for Permanent Bearer Global Notes or Definitive Bearer Notes, as the case may be, in accordance with the terms of Temporary Bearer Global Notes and, in respect of any such exchange, making all notations on Bearer Global Notes as required by their terms;
- (c) exchanging Permanent Bearer Global Notes for Definitive Bearer Notes in accordance with the terms of Permanent Bearer Global Notes and, in respect of any such exchange, making all notations on Permanent Bearer Global Notes as required by their terms;
- (d) paying sums due on Bearer Global Notes, Definitive Bearer Notes and Coupons;
- (e) exchanging Talons for Coupons in accordance with the Conditions;
- (f) determining the interest and/or other amounts payable in respect of the Notes in accordance with the Conditions;
- (g) arranging on behalf of and at the expense of the Issuer for notices to be communicated to the Noteholders in accordance with the Conditions;
- (h) ensuring that, as directed by the Issuer, all necessary action is taken to comply with any reporting requirements of any competent authority in respect of any relevant currency as may be in force from time to time with respect to the Notes to be issued under the Programme;
- (i) subject to the Procedures Memorandum, submitting to the relevant authority or authorities such number of copies of each Pricing Supplement which relates to Notes which are to be listed as the relevant authority or authorities may require;
- (j) acting as Calculation Agent in respect of Notes when it has agreed to do so and named as such in the applicable Pricing Supplement; and
- (k) performing all other obligations and duties imposed upon it by the Conditions, this Agreement and the Procedures Memorandum.

2.2 The Issuer appoints each Paying Agent, and each Paying Agent agrees to act, as paying agent of the Issuer, upon the terms and subject to the conditions set out below, for the purposes of paying sums due on any Notes and Coupons and performing all other obligations and duties imposed upon it by the Conditions and this Agreement.

2.3 The Issuer appoints the Registrar, and the Registrar agrees to act, as registrar of the Issuer, upon the terms and subject to the conditions set out below, for the following purposes:

- (a) completing, authenticating and delivering Registered Global Notes and delivering Definitive Registered Notes;
- (b) paying sums due on Registered Notes; and

- (c) performing all the other obligations and duties imposed upon it by the Conditions, this Agreement and the Procedures Memorandum, including, without limitation, those set out in Clause 9.

The Registrar may from time to time, subject to the prior written consent of the Issuer, delegate certain of its functions and duties set out in this Agreement to the Principal Paying Agent.

- 2.4 The Issuer appoints the Transfer Agent, and the Transfer Agent agrees to act, as transfer agent for the Issuer, upon the terms and subject to the conditions set out below, for the purposes of performing all obligations and duties imposed upon it in the Conditions and this Agreement.
- 2.5 The obligations of the Agents under this Agreement are several and not joint.

### **3. ISSUE OF GLOBAL NOTES**

- 3.1 Subject to subclause 3.5, following receipt of an emailed copy of the applicable Pricing Supplement signed by the Issuer, the Issuer authorises the Principal Paying Agent and the Registrar and each of the Principal Paying Agent and the Registrar agrees, to take the steps required of it in the Procedures Memorandum.
- 3.2 For the purpose of subclause 3.1, the Principal Paying Agent will on behalf of the Issuer if specified in the applicable Pricing Supplement that a Temporary Bearer Global Note will initially represent the Tranche of Notes:
  - (a) prepare a Temporary Bearer Global Note by attaching a copy of the applicable Pricing Supplement to a copy of the signed master Temporary Bearer Global Note;
  - (b) authenticate the Temporary Bearer Global Note;
  - (c) deliver the Temporary Bearer Global Note to the specified common depository for Euroclear and Clearstream; and
  - (d) ensure that the Notes of each Tranche are assigned, as applicable, security numbers (including, but not limited to, common codes and ISINs) which are different from the security numbers assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period in respect of the Tranche.
- 3.3 For the purpose of subclause 3.1, the Principal Paying Agent will on behalf of the Issuer if specified in the applicable Pricing Supplement that a Permanent Bearer Global Note will represent the Notes on issue:
  - (a) in the case of the first Tranche of any Series of Notes, prepare a Permanent Bearer Global Note by attaching a copy of the applicable Pricing Supplement to a copy of the master Permanent Bearer Global Note;
  - (b) in the case of the first Tranche of any Series of Notes, authenticate the Permanent Bearer Global Note;
  - (c) in the case of the first Tranche of any Series of Notes, deliver the Permanent Bearer Global Note to the specified common depository for Euroclear and/or Clearstream;
  - (d) in the case of a subsequent Tranche of any Series of Notes deliver the applicable Pricing Supplement to the specified common depository for attachment to the Permanent Bearer Global Note and make all appropriate entries on the relevant Schedule to the Permanent Bearer Global Note to reflect the increase in its nominal amount; and

- (e) ensure that the Notes of each Tranche are assigned, as applicable, security numbers (including, but not limited to, common codes and ISINs) which are different from the security numbers assigned to the Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period in respect of the Tranche.
- 3.4 For the purpose of subclause 3.1, the Principal Paying Agent or, as the case may be, the Registrar will on behalf of the Issuer if specified in the applicable Pricing Supplement that a Registered Global Note will represent the Notes on issue:
- (a) (in the case of the Registrar) prepare a Registered Global Note by attaching a copy of the applicable Pricing Supplement to a copy of the relevant signed master Registered Global Note;
  - (b) (in the case of the Registrar) authenticate (or procure the authentication of) the relevant Registered Global Note;
  - (c) (in the case of the Registrar) deliver in the case of a Registered Global Note registered in the name of a nominee for a common depository for Euroclear and Clearstream, the Registered Global Note to the specified common depository for Euroclear and Clearstream; and
  - (d) (in the case of the Principal Paying Agent) ensure that the Notes of each Tranche are assigned, as applicable, security numbers (including (as applicable), but not limited to common codes and ISINs) which are different from the security numbers assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period in respect of the Tranche.
- 3.5 Each of the Principal Paying Agent and the Registrar shall only be required to perform its obligations under this Clause 3 if it holds (as applicable):
- (a) a master Temporary Bearer Global Note duly executed by a person or persons duly authorised to execute the same on behalf of the Issuer, which may be used by the Principal Paying Agent for the purpose of preparing Temporary Bearer Global Notes in accordance with subclause 3.2 and Clause 4;
  - (b) a master Permanent Bearer Global Note duly executed by a person or persons duly authorised to execute the same on behalf of the Issuer, which may be used by the Principal Paying Agent for the purpose of preparing Permanent Bearer Global Notes in accordance with subclause 3.3 and Clause 4;
  - (c) a master Registered Global Note duly executed by a person or persons duly authorised to execute the same on behalf of the Issuer, which may be used by the Registrar for the purpose of preparing Registered Global Note in accordance with subclause 3.4; and
  - (d) signed copies of the applicable Pricing Supplement.
- 3.6 The Issuer undertakes to ensure that the Principal Paying Agent and/or the Registrar receives copies of each document specified in subclause 3.5 in a timely manner once such documents become available.
- 4. EXCHANGE OF GLOBAL NOTES**
- 4.1 The Principal Paying Agent shall determine the Exchange Date for each Temporary Bearer Global Note in accordance with its terms. Immediately after determining any Exchange Date, the Principal Paying Agent shall notify its determination to the Issuer, the other Agents, the relevant Dealer, Euroclear and Clearstream.

- 4.2 Where a Temporary Bearer Global Note is to be exchanged for a Permanent Bearer Global Note, the Principal Paying Agent is authorised by the Issuer and instructed:
- (a) in the case of the first Tranche of any Series of Notes, to prepare and complete a Permanent Bearer Global Note in accordance with the terms of the Temporary Bearer Global Note applicable to the Tranche by attaching a copy of the applicable Pricing Supplement to a copy of the master Permanent Bearer Global Note;
  - (b) in the case of the first Tranche of any Series of Notes, to authenticate the Permanent Bearer Global Note;
  - (c) in the case of the first Tranche of any Series of Notes to deliver the Permanent Bearer Global Note to the common depository which is holding the Temporary Bearer Global Note representing the Tranche for the time being on behalf of Euroclear and/or Clearstream to hold on behalf of the Issuer pending its exchange for the Temporary Bearer Global Note; and
  - (d) in the case of a subsequent Tranche of any Series of Notes to attach a copy of the applicable Pricing Supplement to the Permanent Bearer Global Note applicable to the relevant Series and to enter details of any exchange in whole or part.
- 4.3 Where a Global Note is to be exchanged for Definitive Notes in accordance with its terms, the Principal Paying Agent or, as the case may be, the Registrar is authorised by the Issuer and instructed:
- (a) to authenticate the Definitive Notes in accordance with the provisions of this Agreement; and
  - (b) to deliver the Definitive Notes (in the case of Definitive Bearer Notes) to or to the order of Euroclear and/or Clearstream and (in the case of Definitive Registered Notes) as the Registrar may be directed by the holder of the Definitive Registered Notes.
- 4.4 Upon any exchange of all or a part of an interest in a Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for Definitive Bearer Notes or upon any exchange of all of an interest in a Permanent Bearer Global Note for Definitive Bearer Notes, the Principal Paying Agent shall procure that the relevant Global Note shall be endorsed by or on behalf of the Principal Paying Agent to reflect the reduction of its nominal amount by the aggregate nominal amount so exchanged and, where applicable, the Permanent Bearer Global Note shall be endorsed by or on behalf of the Principal Paying Agent to reflect the increase in its nominal amount as a result of any exchange for an interest in the Temporary Bearer Global Note. Until exchanged in full, the holder of an interest in any Bearer Global Note shall in all respects be entitled to the same benefits under this Agreement as the holder of Definitive Bearer Notes and Coupons authenticated and delivered under this Agreement, subject as set out in the Conditions. The Principal Paying Agent is authorised on behalf of the Issuer and instructed (a) to endorse or to arrange for the endorsement of the relevant Bearer Global Note to reflect the reduction in the nominal amount represented by it by the amount so exchanged and, if appropriate, to endorse the Permanent Bearer Global Note to reflect any increase in the nominal amount represented by it and, in either case, to sign in the relevant space on the relevant Bearer Global Note recording the exchange and reduction or increase and (b) in the case of a total exchange, to cancel or arrange for the cancellation of the relevant Bearer Global Note.
- 4.5 Upon any exchange of the Registered Global Note for Definitive Registered Notes, the relevant Registered Global Note(s) shall be presented to the Registrar. The Registrar is authorised on behalf of the Issuer to (a) make all appropriate entries in the Register reflecting the reduction in the nominal amount represented by the relevant Registered Global Note(s) and (b) cancel or arrange for the cancellation of the relevant Registered Global Note.

- 4.6 The Principal Paying Agent or the Registrar, as the case may be, shall notify the Issuer immediately after it receives a request for the issue of Definitive Notes in accordance with the provisions of a Global Note and the aggregate nominal amount of the Global Note to be exchanged.
- 4.7 The Issuer undertakes to deliver to the Principal Paying Agent and the Registrar sufficient numbers of executed Definitive Notes with, in the case of Definitive Bearer Notes if applicable, Coupons and Talons attached, to enable each of the Principal Paying Agent and the Registrar to comply with its obligations under this Agreement.

## 5. TERMS OF ISSUE

- 5.1 Each of the Principal Paying Agent and the Registrar shall cause all Notes delivered to and held by it under this Agreement to be maintained in safe custody and shall ensure that Notes are issued only in accordance with the provisions of this Agreement, the Conditions and, where applicable, the relevant Global Notes.
- 5.2 Subject to the procedures set out in the Procedures Memorandum, for the purposes of Clause 3, each of the Principal Paying Agent and the Registrar is entitled to treat a telephone or e-mail communication from a person purporting to be (and whom the Principal Paying Agent or the Registrar, as the case may be, believes in good faith to be) the authorised representative of the Issuer named in the list referred to in, or notified pursuant to, subclause 21.8, or any other list duly provided for the purpose by the Issuer to the Principal Paying Agent or the Registrar, as the case may be, as sufficient instructions and authority of the Issuer for the Principal Paying Agent or the Registrar to act in accordance with Clause 3.
- 5.3 In the event that a person who has signed a master Global Note or master Definitive Registered Note held by the Principal Paying Agent or the Registrar, as the case may be, on behalf of the Issuer ceases to be authorised as described in subclause 21.8, each of the Principal Paying Agent and the Registrar shall (unless the Issuer gives notice to the Principal Paying Agent or the Registrar, as the case may be, that Notes signed by that person do not constitute valid and binding obligations of the Issuer or otherwise until replacements have been provided to the Principal Paying Agent or the Registrar, as the case may be) continue to have authority to issue Notes signed by that person, and the Issuer warrants to each of the Principal Paying Agent and the Registrar that those Notes shall be valid and binding obligations of the Issuer. Promptly upon any person ceasing to be authorised, the Issuer shall provide the Principal Paying Agent with replacement master Temporary Bearer Global Notes and Permanent Bearer Global Notes and shall provide the Registrar with replacement master Registered Global Notes and Definitive Registered Notes and the Principal Paying Agent and the Registrar, as the case may be, shall, upon receipt of such replacements, cancel and destroy the master Global Notes held by them which are signed by that person and shall provide the Issuer with a certificate of destruction, specifying the master Global Notes so cancelled and destroyed.
- 5.4 The Principal Paying Agent shall provide Euroclear and/or Clearstream with the notifications, instructions or information to be given by the Principal Paying Agent to Euroclear and/or Clearstream.
- 5.5 If the Principal Paying Agent pays an amount (the **Advance**) to the Issuer on the basis that a payment (the **Payment**) has been or will be received from a Dealer and if the Payment is not received by the Principal Paying Agent on the date the Principal Paying Agent pays the Issuer, the Issuer shall repay to the Principal Paying Agent the Advance and shall pay interest on the Advance (or the unreimbursed portion thereof) from (and including) the date the Advance is made to (but excluding) the earlier of repayment of the Advance or receipt by the Principal Paying Agent of the Payment at a rate quoted at that time by the Principal Paying Agent as its cost of funding the Advance provided that evidence of the basis of such rate is given to the Issuer and such interest shall be compounded daily. For the avoidance of doubt, the Principal Paying Agent shall not be obliged to pay any amount to the Issuer if it has not received satisfactory confirmation that it is to receive the amount from a Dealer.

5.6 Except in the case of issues where the Principal Paying Agent does not act as receiving bank for the Issuer in respect of the purchase price of the Notes being issued, if on the Issue Date a Dealer does not pay the full purchase price due from it in respect of any Note (the **Defaulted Note**) and, as a result, the Defaulted Note remains in the Principal Paying Agent's distribution account with Euroclear and/or Clearstream after the Issue Date, the Principal Paying Agent will continue to hold the Defaulted Note to the order of the Issuer. The Principal Paying Agent shall notify the Issuer immediately of the failure of the Dealer to pay the full purchase price due from it in respect of any Defaulted Note and, subsequently, shall (a) notify the Issuer immediately on receipt from the Dealer of the full purchase price in respect of any Defaulted Note and (b) pay to the Issuer the amount so received.

## 6. PAYMENTS

6.1 The Issuer will, before 10.00 a.m. (Hong Kong time), on the Business Day (as defined in subclause 6.3) prior to each date on which any payment in respect of any Note becomes due under the Conditions, transfer to an account specified by the Principal Paying Agent an amount in the relevant currency sufficient for the purposes of the payment in funds settled through such payment system as the Principal Paying Agent and the Issuer may agree.

6.2 Any funds paid by or by arrangement with the Issuer to the Principal Paying Agent under subclause 6.1 shall be held in the relevant account referred to in subclause 6.1 for payment to the Noteholders or Couponholders, as the case may be, until any Notes or matured Coupons become void under Condition 8 (*Prescription*). In that event the Principal Paying Agent shall repay to the Issuer sums equivalent to the amounts which would otherwise have been repayable on the relevant Notes or Coupons.

6.3 The Issuer will ensure that no later than 10.00 a.m. (Hong Kong time) on the second Business Day (as defined below) immediately preceding the date on which any payment is to be made to the Principal Paying Agent under subclause 6.1, the Principal Paying Agent shall receive a copy of an irrevocable payment instruction from the Issuer to the bank through which the payment is to be made or a SWIFT confirmation from the paying bank of the Issuer confirming the relevant account details, the amount to be paid and the value date for such payment. For the purposes of this Clause 6, **Business Day** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business in London, Auckland, Wellington and Hong Kong.

6.4 The Principal Paying Agent shall notify each of the other Paying Agents and the Registrar immediately:

- (a) if it has not by the relevant date set out in subclause 6.1 received unconditionally the full amount in the Specified Currency required for the payment; and
- (b) if it receives unconditionally the full amount of any sum payable in respect of the Notes or Coupons after that date.

The Principal Paying Agent shall, at the expense of the Issuer, immediately on receiving any amount as described in subparagraph (b), cause notice of that receipt to be published under Condition 13 (*Notices*).

6.5 The Principal Paying Agent shall ensure that payments of both principal and interest in respect of a Temporary Bearer Global Note will only be made if certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations has been received from Euroclear and/or Clearstream in accordance with the terms of the Temporary Bearer Global Note.

6.6 Unless it has received notice under subclause 6.4(a), each Paying Agent shall pay or cause to be paid all amounts due in respect of the Notes on behalf of the Issuer in the manner provided in the Conditions. If any payment provided for in subclause 6.1 is made late but otherwise in accordance with the

provisions of this Agreement, the relevant Paying Agent shall nevertheless make payments in respect of the Notes as stated above following receipt by it of such payment.

- 6.7 If for any reason the Principal Paying Agent considers in its sole discretion that the amounts to be received by it under subclause 6.1 will be, or the amounts actually received by it are, insufficient to satisfy all claims in respect of all payments then falling due in respect of the Notes, no Paying Agent shall be obliged to pay any such claims until the Principal Paying Agent has received the full amount of all such payments.
- 6.8 Without prejudice to subclauses 6.6 and 6.7, if the Principal Paying Agent pays any amounts to the holders of Notes or Coupons or to any other Paying Agent at a time when it has not received payment in full in respect of the relevant Notes in accordance with subclause 6.1 (the excess of the amounts so paid over the amounts so received being the **Shortfall**), the Issuer will, in addition to paying amounts due under subclause 6.1, pay to the Principal Paying Agent on demand interest (at a rate which represents the Principal Paying Agent's cost of funding the Shortfall) on the Shortfall (or the unreimbursed portion thereof) from (and including) the date such payment is made to (but excluding) the earlier of the repayment of the amount in full or receipt by the Principal Paying Agent of the Shortfall. Such interest shall be compounded daily.
- 6.9 The Principal Paying Agent shall on demand promptly reimburse each other Paying Agent for payments in respect of Notes properly made by each Paying Agent in accordance with this Agreement and the Conditions unless the Principal Paying Agent has notified the relevant Paying Agent, prior to its opening of business on the due date of a payment in respect of the Notes, that the Principal Paying Agent does not expect to receive sufficient funds to make payment of all amounts falling due in respect of the Notes.
- 6.10 Whilst any Notes are represented by Global Notes, all payments due in respect of the Notes shall be made to, or to the order of, the holder of the Global Notes and, subject to, and in accordance with the provisions of the Global Notes. On the occasion of each payment, the Paying Agent to which such Bearer Global Note was presented for the purpose of making the payment shall cause the appropriate Schedule to the relevant Bearer Global Note to be annotated so as to evidence the amounts and dates of the payments of principal and/or interest as applicable.
- 6.11 If the amount of principal and/or interest then due for payment is not paid in full by the Issuer (otherwise than by reason of a deduction required by law to be made or by reason of a FATCA Withholding or a certification required by the terms of a Note not being received), the Paying Agent to which a Bearer Note or Coupon (as the case may be) is presented for the purpose of making the payment shall make a record of the shortfall on the relevant Bearer Note or Coupon or, in the case of payments of interest on Registered Notes, the Registrar shall make a record in the Register and each record shall, in the absence of manifest error, be *prima facie* evidence that the payment in question has not to that extent been made.
- 6.12 Notwithstanding any other provision of this Agreement, each Agent shall be entitled to make a withholding or deduction from any payment which it makes under any Notes for or on account of any Tax, if and only to the extent so required by Applicable Law, in which event such Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant Authority within the time allowed for the amount so withheld or deducted or, at its option, shall as soon as reasonably practicable after making such payment return to the Issuer the amount so withheld or deducted, in which case, the Issuer shall so account to the relevant Authority for such amount. For the avoidance of doubt, FATCA Withholding is a withholding or deduction which is deemed to be required by Applicable Law for the purposes of this subclause 6.12. In this subclause 6.12 and subclauses 6.13 and 21.13, **Applicable Law** means any law or regulation including, but not limited to: (i) any statute or regulation; (ii) any rule or practice of any Authority by which any party to this Agreement is bound or with which it is accustomed to comply; (iii) any agreement between any



Authorities; and (iv) any agreement between any Authority and any party to this Agreement that is customarily entered into by institutions of a similar nature, **Authority** means any competent regulatory, prosecuting, Tax or governmental authority in any applicable jurisdiction and **Tax** means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax.

- 6.13 If the Issuer determines in its sole discretion that any withholding or deduction for or on account of any Tax will be required by Applicable Law in connection with any payment due to any Agent on any Notes, then the Issuer will be entitled to re-direct or reorganise any such payment in any way that it sees fit in order that the payment may be made without such withholding or deduction provided that any such re-directed or reorganised payment is made through a recognised institution of international standing and such payment is otherwise made in accordance with this Agreement. The Issuer will promptly notify the Principal Paying Agent of any such redirection or reorganisation. For the avoidance of doubt, FATCA Withholding is a withholding or deduction which is deemed to be required by Applicable Law for the purposes of this subclause 6.13.

## **7. DETERMINATIONS AND NOTIFICATIONS IN RESPECT OF NOTES**

- 7.1 The Principal Paying Agent shall, unless otherwise specified in the applicable Pricing Supplement, make all such determinations and calculations (howsoever described) as it is required to make under the Conditions, all subject to and in accordance with the Conditions.
- 7.2 The Principal Paying Agent shall not be responsible to the Issuer or to any third party as a result of the Principal Paying Agent having acted on any quotation given by any Reference Bank which subsequently may be found to be incorrect.
- 7.3 The Principal Paying Agent shall promptly notify (and confirm in writing to) the Issuer, the other Paying Agents and (in respect of a Series of Notes listed on a Stock Exchange) the relevant Stock Exchange of each Rate of Interest, Interest Amount and Interest Payment Date and all other amounts, rates and dates which it is obliged to determine or calculate under the Conditions as soon as reasonably practicable after their determination and of any subsequent amendments to them under the Conditions.
- 7.4 The Principal Paying Agent shall use its best endeavours to cause each Rate of Interest, Interest Amount and Interest Payment Date and all other amounts, rates and dates which it is obliged to determine or calculate under the Conditions to be published as required in accordance with the Conditions as soon as reasonably practicable after their determination or calculation.
- 7.5 If the Principal Paying Agent does not at any time for any reason determine and/or calculate and/or publish the Rate of Interest, Interest Amount and/or Interest Payment Date in respect of any Interest Period or any other amount, rate or date as provided in this subclause 7.5, it shall immediately notify the Issuer and the other Paying Agents of that fact.
- 7.6 Determinations with regard to Notes required to be made by a Calculation Agent specified in the applicable Pricing Supplement shall be made in the manner so specified. Unless otherwise agreed between the Issuer and the relevant Dealer or the Lead Manager, as the case may be, or unless the Principal Paying Agent is the Calculation Agent (in which case the provisions of this Agreement shall apply), those determinations shall be made on the basis of a Calculation Agency Agreement substantially in the form of Schedule 1. Notes of any Series may specify additional duties and obligations of any Agent, the performance of which will be agreed between the Issuer and the relevant Agent prior to the relevant Issue Date.

## **8. NOTICE OF ANY WITHHOLDING OR DEDUCTION**

- 8.1 If the Issuer is, in respect of any payment, compelled to withhold or deduct any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature

as specifically contemplated under the Conditions, it shall give notice of that fact to the Principal Paying Agent and the Registrar as soon as it becomes aware of the requirement to make the withholding or deduction and shall give to the Principal Paying Agent and the Registrar such information as it/as either of them shall require to enable it to comply with the requirement.

- 8.2 Without prejudice to subclause 8.1, the Issuer shall notify the Principal Paying Agent in the event that it determines that any payment to be made by any Agent under any Notes is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated, provided, however, that the Issuer's obligation under this subclause 8.2 shall apply only to the extent that such payments are so treated by virtue of characteristics of the Issuer, such Notes, or both.
- 8.3 If any Agent is, in respect of any payment of principal or interest in respect of the Notes, compelled to withhold or deduct any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature as specifically contemplated under the Conditions, other than arising under subclauses 8.1 or 8.2 or by virtue of the relevant holder failing to satisfy any certification or other requirement in respect of its Notes, it shall give notice of that fact to the Issuer and the Principal Paying Agent as soon as it becomes aware of the compulsion to withhold or deduct.

## 9. OTHER DUTIES OF THE REGISTRAR

- 9.1 The Registrar shall perform the duties set out in this Agreement and the Conditions and, in performing those duties, shall act in accordance with this Agreement and the Conditions.
- 9.2 The Registrar shall so long as any Registered Note is outstanding:
- (a) maintain at its specified office a register (the **Register**) of the holders of the Registered Notes which shall show (i) the nominal amount of Notes represented by each Registered Global Note, (ii) the nominal amounts and the serial numbers of the Definitive Registered Notes, (iii) the dates of issue, redemption and repayment of all Registered Notes, (iv) all subsequent transfers and changes of ownership of Registered Notes, (v) the names and addresses of the holders of the Registered Notes, (vi) all cancellations of Registered Notes, whether because of their purchase by the Issuer, replacement or otherwise and (vii) all replacements of Registered Notes (subject, where appropriate, in the case of (vi), to the Registrar having been notified as provided in this Agreement);
  - (b) effect exchanges of interests between different Registered Global Notes of the same Series, and interests in Registered Global Notes for Definitive Registered Notes and *vice versa*, in accordance with the Conditions and this Agreement, keep a record of all such exchanges and ensure that the Principal Paying Agent is notified immediately after any exchange;
  - (c) register all transfers of Definitive Registered Notes;
  - (d) receive any document in relation to or affecting the title to any of the Registered Notes including all forms of transfer, forms of exchange, probates, letters of administration and powers of attorney;
  - (e) immediately, and in any event within three business days (being days when banks are open for business in the city in which the specified office of the Registrar is located) of the relevant request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), (i) upon receipt by it of Definitive Registered Notes for transfer (together with any certifications required by it) or (ii) following the endorsement of a reduction in nominal amount of a Registered Global Note for exchange into Definitive Registered Notes, authenticate and deliver at its specified office to the transferee or (at the risk of the transferee)

send to the address requested by the transferee duly dated and completed Definitive Registered Notes of a like aggregate nominal amount to the Definitive Registered Notes transferred and, in the case of the transfer of part only of a Definitive Registered Note, authenticate and deliver at its specified office to the transferor or (at the risk of the transferor) send to the address requested by the transferor a duly dated and completed Definitive Registered Note in respect of the balance of the Definitive Registered Notes not so transferred;

- (f) if appropriate, charge to the holder of a Registered Note presented for exchange or transfer (i) the costs or expenses (if any) of delivering Registered Notes issued on exchange or transfer other than by regular uninsured mail and (ii) a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration;
- (g) maintain proper records of the details of all documents and certifications received by itself or any other Transfer Agent (subject to receipt of all necessary information from the other Transfer Agents);
- (h) prepare any lists of holders of the Registered Notes required by the Issuer or the Principal Paying Agent or any person authorised by either of them;
- (i) subject to applicable laws and regulations at all reasonable times during normal business hours make the Register available to the Issuer or any person authorised by it or the holder of any Registered Note for inspection and for the taking of copies or extracts;
- (j) comply with the reasonable requests of the Issuer with respect to the maintenance of the Register and give to the other Agents any information reasonably required by them for the proper performance of their duties; and
- (k) comply with the terms of any duly executed form of transfer.

9.3 Notwithstanding anything to the contrary in this Agreement, in the event of a partial redemption of Notes under Condition 6 (*Redemption and Purchase*), the Registrar shall not be required, unless so directed by the Issuer, (a) to register the transfer of Definitive Registered Notes (or parts of Definitive Registered Notes) or to effect exchanges of interests in Registered Global Notes for Definitive Registered Notes during the period beginning on the sixty-fifth day before the date of the partial redemption and ending on the day on which notice is given specifying the serial numbers of Notes called (in whole or in part) for redemption (both inclusive) or (b) to register the transfer of any Registered Note (or part of a Registered Note) called for partial redemption.

9.4 Registered Notes shall be dated:

- (a) in the case of a Registered Note issued on the Issue Date, the Issue Date; or
- (b) in the case of a Definitive Registered Note issued in exchange for an interest in a Registered Global Note, or upon transfer, with the date of registration in the Register of the exchange or transfer; or
- (c) in the case of a Definitive Registered Note issued to the transferor upon transfer in part of a Registered Note, with the same date as the date of the Registered Note transferred; or
- (d) in the case of a Definitive Registered Note issued under Condition 10 (*Replacement of Notes, Coupons and Talons*), with the same date as the date of the lost, stolen, mutilated, defaced or destroyed Registered Note in replacement of which it is issued.

## **10. DUTIES OF THE TRANSFER AGENTS**

10.1 The Transfer Agents shall perform the duties set out in this Agreement and the Conditions and, in performing those duties, shall act in accordance with the Conditions and this Agreement.

10.2 Each Transfer Agent shall:

- (a) accept Registered Notes delivered to it, with the form of transfer on them duly executed, for the transfer or exchange of all or part of the Registered Note in accordance with the Conditions, and shall, in each case, give to the Registrar all relevant details required by it;
- (b) immediately, and in any event within three business days (being days when banks are open for business in the city in which the specified office of the Registrar is located) of the relevant request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), (i) upon receipt by it of Definitive Registered Notes for transfer (together with any certifications required by it) or (ii) following the endorsement of a reduction in the nominal amount of a Registered Global Note for exchange into Definitive Registered Notes, authenticate and deliver at its specified office to the transferee or (at the risk of the transferee) send to the address requested by the transferee duly dated and completed Definitive Registered Notes of a like aggregate nominal amount to the Definitive Registered Notes transferred and, in the case of the transfer of part only of a Definitive Registered Note, authenticate and deliver at its specified office to the transferor or (at the risk of the transferor) send to the address requested by the transferor a duly dated and completed Definitive Registered Note in respect of the balance of the Definitive Registered Notes not so transferred;
- (c) if appropriate, charge to the holder of a Registered Note presented for exchange or transfer (i) the costs and expenses (if any) of delivering Definitive Registered Notes issued on exchange or transfer other than by regular uninsured mail and (ii) a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration and, in each case, account to the Registrar for those charges; and
- (d) at the request of any Paying Agent deliver new Registered Notes to be issued on partial redemptions of a Registered Note.

## **11. REGULATIONS FOR TRANSFERS OF REGISTERED NOTES**

Subject as provided below, the Issuer may from time to time agree with the Principal Paying Agent and the Registrar reasonable regulations to govern the transfer and registration of Registered Notes. The initial regulations, which shall apply until amended under this Clause 11, are set out in Schedule 7. The Transfer Agents agree to comply with the regulations as amended from time to time.

## **12. DUTIES OF THE AGENTS IN CONNECTION WITH EARLY REDEMPTION**

12.1 If the Issuer decides to redeem any Notes for the time being outstanding before their Maturity Date in accordance with the Conditions, the Issuer shall give notice of the decision to the Principal Paying Agent and, in the case of redemption of Registered Notes, the Registrar stating the date on which the Notes are to be redeemed and the nominal amount of Notes to be redeemed not less than 15 days before the date on which the Issuer will give notice to the Noteholders in accordance with the Conditions of the redemption in order to enable the Principal Paying Agent and, if applicable, the Registrar to carry out its duties in this Agreement and in the Conditions.

12.2 If only some of the Notes are to be redeemed, the Principal Paying Agent shall, in the case of Definitive Notes, make the required drawing in accordance with the Conditions but shall give the Issuer reasonable notice of the time and place proposed for the drawing and the Issuer shall be entitled to send representatives to attend the drawing and shall, in the case of Notes in global form, co-ordinate

the selection of Notes to be redeemed with Euroclear and Clearstream all in accordance with the Conditions.

- 12.3 The Principal Paying Agent shall publish the notice required in connection with any redemption and shall, if applicable, at the same time also publish a separate list of the serial numbers of any Notes in definitive form previously drawn and not presented for redemption. The redemption notice shall specify the date fixed for redemption, the redemption amount, the manner in which redemption will be effected and, in the case of a partial redemption of Definitive Notes, the serial numbers of the Notes to be redeemed. The notice will be published in accordance with the Conditions. The Principal Paying Agent will also notify the other Agents of any date fixed for redemption of any Notes.
- 12.4 The Registrar and each Paying Agent will keep a stock of Put Notices and will make them available on demand to holders of Definitive Notes, the Conditions of which provide for redemption at the option of Noteholders. Upon receipt of any Note deposited in the exercise of a put option in accordance with the Conditions, the Registrar or, as the case may be, the Paying Agent with which the Note is deposited shall hold the Note (together with any Coupons and Talons relating to it deposited with it) on behalf of the depositing Noteholder (but shall not, save as provided below, release it) until the due date for redemption of the relevant Note consequent upon the exercise of the option, when, subject as provided below, it shall present the Note (and any such unmatured Coupons and Talons) to itself for payment of the amount due together with any interest due on the date of redemption in accordance with the Conditions and shall pay those moneys in accordance with the directions of the Noteholder contained in the relevant Put Notice. If, prior to the due date for its redemption, an Event of Default has occurred and is continuing or the Note becomes immediately due and repayable or if upon due presentation payment of the redemption moneys is improperly withheld or refused, the Registrar or, as the case may be, the Paying Agent concerned shall post the Note (together with any such Coupons and Talons) by uninsured post to, and at the risk of, the relevant Noteholder (unless the Noteholder has otherwise requested and paid the costs of insurance to the Registrar or, as the case may be, the relevant Paying Agent at the time of depositing the Notes) at the address given by the Noteholder in the relevant Put Notice. In the case of a partial redemption of Registered Notes, the Registrar shall, in accordance with the Conditions, post a new Registered Note in respect of the balance of the Registered Notes not redeemed to the registered holder. At the end of each period for the exercise of any put option, the Registrar and each Paying Agent shall promptly notify the Principal Paying Agent of the principal amount of the Notes in respect of which the option has been exercised with it together with their serial numbers and the Principal Paying Agent shall promptly notify those details to the Issuer.

### **13. RECEIPT AND PUBLICATION OF NOTICES**

- 13.1 Immediately after it receives a demand or notice from any Noteholder in accordance with the Conditions, the Principal Paying Agent shall forward a copy to the Issuer.
- 13.2 On behalf of and at the request and expense of the Issuer, the Principal Paying Agent shall cause to be published all notices required to be given by the Issuer to the Noteholders in accordance with the Conditions. The Issuer shall provide the Principal Paying Agent with any notice to be delivered to the Noteholders not less than four Business Days prior to the relevant date on which the Issuer is to give notice to the Noteholders in accordance with the Conditions, or as otherwise may be agreed between the Issuer and the Principal Paying Agent.

### **14. CANCELLATION OF NOTES, COUPONS AND TALONS**

- 14.1 All Notes which are redeemed, all Global Notes which are exchanged in full, all Registered Notes which have transferred, all Coupons which are paid and all Talons which are exchanged shall be cancelled by the Paying Agent or the Registrar, as the case may be, by which they are redeemed, exchanged, transferred or paid. In addition, the Issuer shall immediately notify the Principal Paying

Agent in writing of all Notes which are purchased on behalf of the Issuer and all such Notes surrendered to a Paying Agent for cancellation, together (in the case of Definitive Bearer Notes) with all unmatured Coupons or Talons (if any) attached to them or surrendered with them, shall be cancelled by the Paying Agent to which they are surrendered. Each of the Paying Agents shall give to the Principal Paying Agent details of all payments made by it and shall deliver all cancelled Notes, Coupons and Talons to the Principal Paying Agent or as the Principal Paying Agent may specify.

- 14.2 The Principal Paying Agent shall deliver to the Issuer as soon as reasonably practicable and in any event within three months after the date of each redemption, repayment, or purchase and payment, cancellation, transfer or replacement, as the case may be, a certificate stating:
- (a) the aggregate nominal amount of Notes which have been redeemed and the aggregate amount paid in respect of them;
  - (b) the number of Notes cancelled together (in the case of Definitive Bearer Notes) with details of all unmatured Coupons or Talons attached to them or delivered with them;
  - (c) the aggregate amount paid in respect of interest on the Notes;
  - (d) the total number by maturity date of Coupons and Talons cancelled; and
  - (e) (in the case of Definitive Bearer Notes) the serial numbers of those Definitive Bearer Notes.
- 14.3 The Principal Paying Agent shall destroy all cancelled Notes, Coupons and Talons and, immediately following their destruction, send to the Issuer a certificate stating the serial numbers of the Notes (in the case of Notes in definitive form) and the number by maturity date of Coupons and Talons destroyed.
- 14.4 Without prejudice to the obligations of the Principal Paying Agent under subclause 14.2, the Principal Paying Agent shall keep a full and complete record of all Notes, Coupons and Talons (other than the serial numbers of Coupons) and of their redemption, purchase on behalf of the Issuer and cancellation, payment, exchange or replacement (as the case may be) and of all replacement Notes, Coupons or Talons issued in substitution for mutilated, defaced, destroyed, lost or stolen Notes, Coupons or Talons. The Principal Paying Agent shall in respect of the Coupons of each maturity retain (in the case of Coupons other than Talons) until the expiry of ten years from the Relevant Date in respect of such Coupons and (in the case of Talons) indefinitely either all paid or exchanged Coupons of that maturity or a list of the serial numbers of Coupons of that maturity still remaining unpaid or unexchanged. The Principal Paying Agent shall at all reasonable times make the record available to the Issuer and any persons authorised by it for inspection and for the taking of copies of it or extracts from it.
- 14.5 The Principal Paying Agent is authorised by the Issuer and instructed to endorse or to arrange for the endorsement of the relevant Bearer Global Note to reflect the reduction in the nominal amount represented by it by the amount so redeemed or purchased and cancelled, to instruct Euroclear and Clearstream to make appropriate entries in their records to reflect such redemption or purchase and cancellation, as the case may be; provided, that, in the case of a purchase or cancellation, the Issuer has notified the Principal Paying Agent of the same in accordance with subclause 14.1.

## **15. ISSUE OF REPLACEMENT NOTES, COUPONS AND TALONS**

- 15.1 The Issuer will cause a sufficient quantity of additional forms of (a) Bearer Notes, Coupons and Talons to be available, upon request, to the Principal Paying Agent at its specified office for the purpose of issuing replacement Bearer Notes, Coupons and Talons as provided below and (b) Registered Notes, to be available, upon request, to the Registrar at its specified office for the purpose of issuing replacement Registered Notes as provided below.

- 15.2 The Principal Paying Agent and the Registrar will, subject to and in accordance with the Conditions and this subclause 15.2, cause to be delivered any replacement Notes, Coupons and Talons which the Issuer may determine to issue in place of Notes, Coupons and Talons which have been lost, stolen, mutilated, defaced or destroyed.
- 15.3 In the case of a mutilated or defaced Bearer Note, the Principal Paying Agent shall ensure that (unless otherwise covered by such indemnity as the Issuer may reasonably require) any replacement Bearer Note will only have attached to it Coupons and Talons corresponding to those (if any) attached to the mutilated or defaced Note which is presented for replacement.
- 15.4 The Principal Paying Agent or the Registrar, as the case may be, shall verify in the case of an allegedly lost, stolen or destroyed Note, Coupon or Talon in respect of which the Series and serial number is known or believed to be known, that such Note, Coupon or Talon has not previously been redeemed, purchased, paid or exchanged, as the case may be. Neither the Principal Paying Agent nor, as the case may be, the Registrar shall issue any replacement Note, Coupon or Talon unless and until the claimant shall have:
- (a) paid the costs and expenses incurred in connection with the issue;
  - (b) provided it with such evidence and indemnity as the Issuer may reasonably require; and
  - (c) in the case of any mutilated or defaced Note, Coupon or Talon, surrendered it to the Principal Paying Agent or, as the case may be, the Registrar.
- 15.5 The Principal Paying Agent or, as the case may be, the Registrar shall cancel any mutilated or defaced Notes, Coupons and Talons in respect of which replacement Notes, Coupons and Talons have been issued under this subclause 15.5 and shall furnish the Issuer with a certificate stating the serial numbers of the Notes, Coupons and Talons cancelled and, unless otherwise instructed by the Issuer in writing, shall destroy the cancelled Notes, Coupons and Talons and give to the Issuer a destruction certificate containing the information specified in subclause 14.3.
- 15.6 The Principal Paying Agent or, as the case may be, the Registrar shall, on issuing any replacement Note, Coupon or Talon, immediately inform the Issuer and the other Agents of the serial number of the replacement Note, Coupon or Talon issued and (if known) of the serial number of the Note, Coupon or Talon in place of which the replacement Note, Coupon or Talon has been issued. Whenever replacement Coupons or Talons are issued, the Principal Paying Agent shall also notify the other Agents of the maturity dates of the lost, stolen, mutilated, defaced or destroyed Coupons or Talons and of the replacement Coupons or Talons issued.
- 15.7 The Principal Paying Agent and the Registrar shall keep a full and complete record of all replacement Notes, Coupons and Talons issued and shall make the record available at all reasonable times to the Issuer and any persons authorised by it for inspection and for the taking of copies of it or extracts from it.
- 15.8 Whenever any Bearer Note, Coupon or Talon for which a replacement Bearer Note, Coupon or Talon has been issued and in respect of which the serial number is known is presented to a Paying Agent for payment, the relevant Paying Agent shall immediately send notice of that fact to the Issuer and the other Paying Agents.
- 15.9 The Paying Agents shall issue further Coupon sheets against surrender of Talons. A Talon so surrendered shall be cancelled by the relevant Paying Agent who (except where the Paying Agent is the Principal Paying Agent) shall inform the Principal Paying Agent of its serial number. Further Coupon sheets issued on surrender of Talons shall carry the same serial number as the surrendered Talon.

## **16. COPIES OF DOCUMENTS AVAILABLE FOR INSPECTION**

Each Paying Agent shall make available during normal business hours copies of all documents required to be so available by the Conditions of any Notes. Each Paying Agent shall provide by email to a Noteholder copies of all documents required to be so available by the Conditions of any Notes, following the Noteholder's prior written request and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent).

## **17. MEETINGS OF NOTEHOLDERS**

17.1 The provisions of Schedule 5 shall apply to meetings of the Noteholders and shall have effect in the same manner as if set out in this Agreement.

17.2 Without prejudice to subclause 17.1, each of the Paying Agents on the request of any holder of Notes shall issue voting certificates and block voting instructions in accordance with Schedule 5 and shall immediately give notice to the Issuer in writing of any revocation or amendment of a block voting instruction. Each of the Paying Agents will keep a full and complete record of all voting certificates and block voting instructions issued by it and will, not less than 24 hours before the time appointed for holding a meeting or adjourned meeting, deposit at such place as the Principal Paying Agent shall approve, full particulars of all voting certificates and block voting instructions issued by it in respect of the meeting or adjourned meeting.

## **18. COMMISSIONS AND EXPENSES**

18.1 The Issuer agrees to pay to the Principal Paying Agent such fees and commissions as the Issuer and the Principal Paying Agent shall separately agree in respect of the services of the Agents under this Agreement together with any out of pocket expenses (including legal, printing, postage, cable and advertising expenses) incurred by the Agents in connection with their services.

18.2 The parties to this Agreement agree that, at the request of the relevant Agent, the fees and expenses payable under Clause 18.1 may be reviewed by that Agent and may be increased from time to time with the written agreement of the Issuer.

18.3 The Principal Paying Agent will make payment of the fees and commissions due under this Agreement to the other Agents and will reimburse their expenses promptly after the receipt of the relevant moneys from the Issuer. The Issuer shall not be responsible for any payment or reimbursement by the Principal Paying Agent to the other Agents.

18.4 All payments by the Issuer in connection with this Agreement under this subclause 18.3 shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the relevant Agent of such amounts as would have been received by it if no such withholdings had been required.

## **19. INDEMNITY**

19.1 The Issuer shall indemnify each of the Agents and their respective officers, directors, employees, representatives and agents against any losses, liabilities, costs, claims, actions, demands or expenses (together, **Losses**) (including, but not limited to, all reasonable costs, legal fees, charges and expenses (together, **Expenses**) paid or incurred in disputing or defending any Losses) which it may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers and duties under this Agreement except for any Losses or Expenses resulting from its own fraud, gross negligence or wilful default or that of its officers, directors or employees.



19.2 The indemnities set out above shall survive any resignation or removal of any Agent or the termination of this Agreement.

## **20. RESPONSIBILITY OF THE AGENTS**

20.1 No Agent shall be responsible to anyone with respect to the validity of this Agreement or the Notes or Coupons or for any act or omission by it in connection with this Agreement or any Note or Coupon except for its own gross negligence, wilful default or fraud, including that of its officers and employees.

20.2 No Agent shall have any duty or responsibility in the case of any default by the Issuer in the performance of its obligations under the Conditions or, in the case of receipt of a written demand from a Noteholder or Couponholder, with respect to such default, provided however that immediately on receiving any notice given by a Noteholder in accordance with Condition 9 (*Events of Default*), the Principal Paying Agent notifies the Issuer of the fact and furnishes it with a copy of the notice.

20.3 Whenever in the performance of its duties under this Agreement an Agent shall deem it desirable that any matter be established by the Issuer prior to taking or suffering any action under this Agreement, the matter may be deemed to be conclusively established by a certificate signed by the Issuer and delivered to the Agent and the certificate shall be a full authorisation to the Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon the certificate.

## **21. CONDITIONS OF APPOINTMENT**

21.1 Each Agent shall be entitled to deal with money paid to it by the Issuer for the purpose of this Agreement in the same manner as other money paid to a banker by its customers except:

- (a) that it shall not exercise any right of set-off, lien or similar claim in respect of the money; and
- (b) that it shall not be liable to account to the Issuer for any interest on the money. Monies held by it need not be segregated except as required by law.

21.2 In acting under this Agreement and in connection with the Notes, each Agent shall act solely as an agent of the Issuer and will not assume any obligations towards or relationship of agency or trust for or with any of the owners or holders of the Notes, Coupons or Talons.

21.3 Each Agent undertakes to the Issuer to perform its duties, and shall be obliged to perform the duties and only the duties, specifically stated in this Agreement (including Schedule 5 in the case of the Principal Paying Agent and the Registrar), the Conditions and the Procedures Memorandum, and no implied duties or obligations (including, without limitation, duties or obligations of a fiduciary or equitable nature) shall be read into any of those documents against any Agent, other than the duty to act honestly and in good faith and to exercise the diligence of a reasonably prudent agent in comparable circumstances. Each of the Agents (other than the Principal Paying Agent) agrees that if any information that is required by the Principal Paying Agent and the Registrar to perform the duties set out in Schedule 5 becomes known to it, it will promptly provide such information to the Principal Paying Agent and the Registrar.

21.4 No Agent shall be obliged to perform additional duties set out in any Pricing Supplement and thereby incorporated into the Conditions unless it shall have previously agreed to perform such duties. If the Conditions are amended on or after a date on which the Agent accepts any appointment in a way that affects the duties expressed to be performed by such Agent, it shall not be obliged to perform such duties as so amended unless it has first approved the relevant amendment. No Agent shall be under any obligation to take any action under this Agreement that it expects will result in any expense to or liability of such Agent, the payment of which is not, in its opinion, assured to it within a reasonable

time, provided that the relevant Agent shall notify the Issuer in writing as soon as reasonably practicable after the decision not to take such action has been made.

- 21.5 Each Agent may consult with legal and other professional advisers and the opinion of the advisers shall be full and complete protection in respect of any action taken, omitted or suffered under this Agreement in good faith and in accordance with the opinion of the advisers.
- 21.6 Each Agent shall be protected and shall incur no liability in respect of any action taken, omitted or suffered in reliance on any instruction from the Issuer or any document which it reasonably believes to be genuine and to have been delivered by the proper party, such party having acted or acting on instructions of the Issuer, or on written instructions from the Issuer.
- 21.7 Any Agent and its officers, directors and employees may become the owner of, and/or acquire any interest in, any Notes, Coupons or Talons with the same rights that they would have had if the Agent concerned were not appointed under this Agreement, and may engage or be interested in any financial or other transaction with the Issuer and may act on, or as depository, trustee or agent for, any committee or body of holders of Notes or Coupons or in connection with any other obligations of the Issuer as freely as if the Agent were not appointed under this Agreement.
- 21.8 The Issuer shall provide the Principal Paying Agent and the Registrar with a certified copy of the list of persons authorised to execute documents and take action on its behalf in connection with this Agreement and shall notify the Principal Paying Agent and the Registrar immediately in writing if any of those persons ceases to be authorised or if any additional person becomes authorised together, in the case of an additional authorised person, with evidence satisfactory to the Principal Paying Agent and the Registrar that the person has been authorised.
- 21.9 Except as otherwise permitted in the Conditions or as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer and each of the Agents shall be entitled to treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner of it (whether or not it is overdue and notwithstanding any notice of ownership or writing on it or notice of any previous loss or theft of it).
- 21.10 None of the Agents shall be under any obligation to take any action under this Agreement which may be illegal or contrary to applicable law or regulation.
- 21.11 None of the Agents shall have any obligation or duty (i) to monitor or inquire as to the performance of the Issuer of its obligations under the Notes, this Agreement or any other relevant documents or (ii) to determine or take any steps to ascertain whether any relevant event under the Notes has occurred.
- 21.12 The amount of the Programme may be increased by the Issuer in accordance with the procedure set out in the Programme Agreement. Upon any increase being effected, all references in this Agreement to the amount of the Programme shall be deemed to be references to the increased amount.
- 21.13 Each party to this Agreement shall, within ten business days (in the place of the requesting party) of a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations or any Notes (subject to any non-disclosure agreements relating to such information or documentation) as that other party reasonably requests for the purposes of that other party's compliance with Applicable Law and shall notify the relevant other party as soon as reasonably practicable in the event that it becomes aware that any of the forms, documentation or other information provided by such party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this subclause 21.13 to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a)

Applicable Law; (b) fiduciary duty; or (c) duty of confidentiality. For the purposes of this subclause 21.13, **Applicable Law** shall be deemed to include (i) any rule or practice of any Authority by which any party to this Agreement is bound or with which it is accustomed or required to comply; (ii) any agreement between any Authorities; and (iii) any agreement between any Authority and any party to this Agreement that is customarily entered into by institutions of a similar nature. In this subclause 21.13 **Applicable Law** and **Authority** shall have the meanings set out in subclause 6.12 above.

- 21.14 The Agents shall not be required to expend or risk their own funds and shall not be under any obligation to take any action under this Agreement which it expects will result in any expense or liability accruing to it if it believes the payment of such funds or adequate indemnity against or security and/or pre-funding of such risk or liability is not, in its opinion, assured to it.
- 21.15 An Agent may take and instruct any delegate or agent to take action which it in its sole discretion considers appropriate so as to comply with any applicable law, regulation, request of a public or regulatory authority or any policy of such Agent (including, but not limited to, know your client and other compliance policies) which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on the Issuer's or any Noteholder's accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of fund paid into or out of the Issuer's or any Noteholder's accounts. In certain circumstances, such action may delay or prevent the processing of the instructions of the Issuer, the settlement of transactions over the Issuer's or any Noteholder's accounts or an Agent's performance of its obligations under this Agreement. Neither an Agent nor any delegate will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by the Agent or any delegate or agent pursuant to this subclause 21.15.
- 21.16 Notwithstanding any other term or provision of this Agreement, the Notes or the Coupons, to the contrary, no Agent shall be liable under any circumstances for special, punitive, indirect or consequential loss or damage of any kind whatsoever including but not limited to loss of business, goodwill, opportunity or profits, whether or not foreseeable and whether arising directly or indirectly, even if the Agent is actually aware of or has been advised of the likelihood of such loss or damage and regardless of whether the claim for such loss or damage is made in gross negligence, for breach of contract, breach of trust, breach of fiduciary obligation or otherwise. The provisions of this subclause 21.15 shall survive the termination or expiry of this Agreement or the resignation or removal of the Agent.
- 21.17 Notwithstanding anything to the contrary in this Agreement, the Conditions or any other transaction document no Agent shall in any event be liable for any failure or delay in the performance of its obligations or exercising its rights and powers under this Agreement, the Conditions or any other transaction document if it is prevented from so performing its obligations by any circumstances beyond the control of such Agent, including without limitation, any existing or future law or regulation, any existing or future act of governmental authority, Act of God, pandemic, flood, war whether declared or undeclared, terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any SWIFT or money transmission system. The provisions of this subclause 21.16 shall survive the termination and/or expiry of this Agreement or the Notes no longer being outstanding or the resignation or removal of any Agent.
- 21.18 The Issuer understands that Deutsche Bank AG is a global financial organisation that operates in and provides services and products to clients through its affiliates, branches, representative offices and/or subsidiaries located in multiple jurisdictions (collectively, the **DB Group** and each a **DB Entity**). The Issuer also understands that the DB Group may centralise in one or more affiliates, subsidiaries or

unaffiliated service providers certain activities, including audit, accounting, administration, risk management, legal, compliance, sales, marketing, relationship management, and the storage, maintenance, aggregation, processing and analysis of information and data regarding the Issuer. Consequently, the Issuer hereby consents and authorises each Agent to disclose to other members of the DB Group (and their respective officers, directors and employees and their delegates and/or attorneys), professional advisers selected with due care by any of them and any applicable regulatory authority, wherever situated, copies of this Agreement and information regarding the Issuer, and any accounts established pursuant to this Agreement in connection with the foregoing activities and provided they are required to maintain the confidentiality of the information provided. The Issuer acknowledges and agrees that information concerning the Issuer may be disclosed to any authority or court arising out of or in connection with this Agreement, and otherwise as required by law. Each Agent may without liability send copies of this Agreement and information as aforesaid regarding the Issuer to any Noteholders by electronic mail to such email address as may be provided to it by such Noteholders.

- 21.19 The Issuer hereby irrevocably waives, in favour of the Agents, any conflict of interest which may arise by virtue of the Agents or any affiliate of any Agent acting in various capacities under this Agreement, the Notes and any other documents relating to the Notes, as the case may be, or for other customers of the Agents. The Issuer hereby acknowledges that the Agents and their respective affiliates (together, the **Agent Parties**) may have interests in, or may be providing or may in the future provide financial or other services to other parties with interests which the Issuer may regard as conflicting with its interests and may possess information (whether or not material to the Issuer) that the Agent Parties may not be entitled to share with the Issuer.
- 21.20 Each Agent may disclose such information as it considers appropriate to any of its affiliates, its head office and any other branch of such Agent (each a **Party**) and any other person:
- (a) to (or through) whom any Party assigns or transfers (or may potentially assign or transfer) all or any of its rights and obligations under this Agreement and any other person who accedes or may accede to this Agreement;
  - (b) who is an employee or officer of any Party (where such disclosure is reasonably required for the performance of the duties or functions of such Agent or such employee or officer); or
  - (c) who is an agent, contractor or third party service provider to any Party who is or who such Agent has been advised is under a duty of confidentiality to such Party.

## **22. COMMUNICATIONS BETWEEN THE PARTIES**

A copy of each communication relating to the subject matter of this Agreement between the Issuer and any Agent (other than the Principal Paying Agent) shall be sent to the Principal Paying Agent by the party sending the relevant communication.

## **23. CHANGES IN AGENTS**

- 23.1 The Issuer agrees that, for so long as any Note is outstanding, or until moneys for the payment of all amounts in respect of all outstanding Notes have been made available to the Principal Paying Agent and have been returned to the Issuer (whichever is earlier), as provided in this Agreement:
- (a) so long as any Notes are listed on any Stock Exchange, there will at all times be a Paying Agent, which may be the Principal Paying Agent, and a Transfer Agent, which may be the Registrar, with a specified office in the place required by the rules and regulations of the relevant Stock Exchange or any other relevant authority;
  - (b) there will at all times be a Principal Paying Agent and a Registrar; 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 11 (*Agents*). Any variation, termination, appointment or change of an Agent shall only take effect (other than in the case of insolvency (as provided in subclause 23.5), when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice shall have been given to the Noteholders in accordance with Condition 13 (*Notices*).

- 23.2 The Principal Paying Agent, the Registrar and the Transfer Agent may (subject as provided in subclause 23.4) at any time resign without assigning any reason by giving at least 60 days' written notice to the Issuer specifying the date on which its resignation shall become effective.
- 23.3 The Principal Paying Agent, the Registrar and the Transfer Agent may (subject as provided in subclause 23.4) be removed at any time by the Issuer on at least 45 days' notice in writing from the Issuer specifying the date when the removal shall become effective.
- 23.4 Any resignation under subclause 23.2 or removal of the Principal Paying Agent or the Registrar or the Transfer Agent under subclauses 23.3 or 23.5 shall only take effect upon the appointment by the Issuer of a successor Principal Paying Agent or Registrar or Transfer Agent, as the case may be, and (other than in cases of insolvency of the Principal Paying Agent or the Registrar or the Transfer Agent, as the case may be) on the expiry of the notice to be given under Clause 25. The Issuer agrees with the Principal Paying Agent, the Registrar and the Transfer Agent that if, by the day falling 10 days before the expiry of any notice under subclause 23.2, the Issuer has not appointed a successor Principal Paying Agent or Registrar or Transfer Agent, as the case may be, then the Principal Paying Agent or Registrar or the Transfer Agent, as the case may be, shall be entitled, on behalf of the Issuer, to appoint in its place as a successor Principal Paying Agent or Registrar or Transfer Agent, as the case may be, a reputable financial institution of good standing which the Issuer shall approve.
- 23.5 In case at any time any Agent resigns, or is removed, or becomes incapable of acting or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or a substantial part of its property, or admits in writing its inability to pay or meet its debts as they mature or suspends payment of its debts, or if any order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law or if a receiver of it or of all or a substantial part of its property is appointed or if any officer takes charge or control of it or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, a successor Agent which shall be a reputable financial institution of good standing may be appointed by the Issuer. Upon the appointment of a successor Agent and acceptance by it of its appointment and (other than in case of insolvency of the Agent when it shall be of immediate effect) upon expiry of the notice to be given under Clause 25, the Agent so superseded shall cease to be an Agent under this Agreement.
- 23.6 Subject to subclause 23.1, the Issuer may, after prior consultation with the Principal Paying Agent, terminate the appointment of any of the other Agents at any time and/or appoint one or more further or other Agents by giving to the Principal Paying Agent and to the relevant other Agent at least 45 days' notice in writing to that effect (other than in the case of insolvency).
- 23.7 Subject to subclause 23.1, all or any of the Agents (other than the Principal Paying Agent and the Registrar and the Transfer Agent) may resign their respective appointments under this Agreement at any time by giving the Issuer and the Principal Paying Agent at least 45 days' written notice to that effect.

- 23.8 Upon its resignation or removal becoming effective, an Agent shall:
- (a) in the case of the Principal Paying Agent and the Registrar, immediately transfer all moneys and records held by it under this Agreement to the successor Agent; and
  - (b) be entitled to the payment by the Issuer of the commissions, fees and expenses payable in respect of its services under this Agreement before termination in accordance with the terms of Clause 18.
- 23.9 Upon its appointment becoming effective, a successor or new Agent shall, without any further action, become vested with all the authority, rights, powers, duties and obligations of its predecessor or, as the case may be, an Agent with the same effect as if originally named as an Agent under this Agreement.

## **24. MERGER AND CONSOLIDATION**

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

## **25. NOTIFICATION OF CHANGES TO AGENTS**

Following receipt of notice of resignation from an Agent and immediately after appointing a successor or new Agent or on giving notice to terminate the appointment of any Agent, the Principal Paying Agent (on behalf of and at the expense of the Issuer) shall give or cause to be given not more than 45 days' nor less than 30 days' notice of the fact to the Noteholders in accordance with the Conditions.

## **26. CHANGE OF SPECIFIED OFFICE**

If any Agent determines to change its specified office it shall give to the Issuer and the Principal Paying Agent written notice of that fact giving the address of the new specified office which shall be in the same city and stating the date on which the change is to take effect, which shall not be less than 45 days after the notice. The Principal Paying Agent (on behalf and at the expense of the Issuer) shall within 15 days of receipt of the notice (unless the appointment of the relevant Agent is to terminate pursuant to Clause 23 on or prior to the date of the change) give or cause to be given not more than 45 days' nor less than 30 days' notice of the change to the Noteholders in accordance with the Conditions.

## **27. COMMUNICATIONS**

- 27.1 All communications shall be by email or letter delivered by hand or (but only where specifically provided in the Procedures Memorandum) by telephone. Each communication shall be made to the relevant party at the email address or address or telephone number and, in the case of a communication by letter, marked for the attention of, or (in the case of a communication by telephone or e-mail) made to, the person or department from time to time specified in writing by that party to the others for the purpose. The initial telephone number, email address, address and person or department so specified by each party are set out in the Procedures Memorandum.

- 27.2 A communication shall be deemed received (if by telephone) when made or (if by letter) when delivered or (if by email) when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication in each case in the manner required by this subclause 27.2. However, if a communication is received after 5:00 p.m. on any business day (in the place of the recipient) or on a day which is not a business day in the place of receipt it shall be deemed to be received and become effective at the opening of business on the next business day in the place of receipt. Every communication shall be irrevocable save in respect of any manifest error in it.
- 27.3 Any notice given under or in connection with this Agreement shall be in English. All other documents provided under or in connection with this Agreement shall be:
- (a) in English; or
  - (b) if not in English, accompanied by a certified English translation and, in this case, the English translation shall prevail unless the document is a statutory or other official document.
- 27.4 Each Agent may rely upon and comply with communications, instructions and directions sent by electronic mail, facsimile and other similar unsecured electronic methods (**Electronic Methods**) by persons reasonably believed by it to be authorised to give instructions and directions on behalf of the Issuer. Each Agent shall have no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Issuer and shall have no liability for any losses, liabilities, costs or expenses incurred or sustained by the Issuer, the Noteholders, or any other person as a result of such reliance upon or compliance with such instructions or directions. The Issuer agrees to assume all risks arising out of the use of Electronic Methods to submit, deliver or give communications, instructions and directions to any Agent, including without limitation the risk of any Agent acting on unauthorised communications, instructions or directions, and the risk of interception and misuse by third parties. The Issuer agrees that the indemnity set out in subclause 19.1 shall apply in respect of any loss or liability suffered by any Agent as a result of acting upon communications, instructions and directions sent by Electronic Methods.
- 27.5 Each Agent may conclusively rely on and shall be fully authorised and protected in and shall have no liability for acting or omitting to act upon or in reliance on written, email or facsimile communications from the Issuer with respect to any matter covered in this Agreement and/or the Notes or on any certificate, instrument, instruction, opinion, notice, letter, facsimile, email, or other document or instrument, original or copy, delivered or faxed or sent by email or electronically to it and believed by it to be genuine and to have been sent by the proper person or persons, and shall not have any responsibility to verify or confirm that the person giving the same is duly authorised to do so.

## 28. TAXES AND STAMP DUTIES

The Issuer agrees to pay any and all stamp and other documentary taxes or duties which may be payable in connection with the execution, delivery, performance and enforcement of this Agreement.

## 29. CURRENCY INDEMNITY

If, under any applicable law and whether pursuant to a judgment being made or registered against the Issuer or in the liquidation, insolvency or any similar process of the Issuer or for any other reason, any payment under or in connection with this Agreement is made or falls to be satisfied in a currency (the **other currency**) other than that in which the relevant payment is expressed to be due (the **required currency**) under this Agreement, then, to the extent that the payment (when converted into the required currency at the rate of exchange on the date of payment or, if it is not practicable for the relevant Agent to purchase the required currency with the other currency on the date of payment, at the rate of

exchange as soon thereafter as it is practicable for it to do so or, in the case of a liquidation, insolvency or analogous process, at the rate of exchange on the latest date permitted by applicable law for the determination of liabilities in such liquidation, insolvency or analogous process) actually received by the relevant Agent falls short of the amount due under the terms of this Agreement, the Issuer undertakes that it shall, as a separate and independent obligation, indemnify and hold harmless the Agent against the amount of the shortfall. For the purpose of this Clause 29, **rate of exchange** means the rate at which the relevant Agent is able on the Singapore foreign exchange market on the relevant date to purchase the required currency with the other currency and shall take into account any premium and other reasonable costs of exchange.

### 30. AMENDMENTS

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification (except as mentioned in the Conditions) of this Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Coupons or this 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 law.

Any modification so made shall be binding on the Noteholders and the Couponholders and shall be notified to the Noteholders in accordance with Condition 13 (*Notices*) as soon as practicable after it has been agreed.

### 31. RECOGNITION OF BAIL-IN POWERS

Notwithstanding and to the exclusion of any other term of this Agreement or any other agreements, arrangements, or understanding between the parties to this Agreement, each of the parties to this Agreement acknowledge and accepts that a BRRD Liability arising under this Agreement may be subject to the exercise of Bail-in Powers by the Relevant Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

- (a) the effect of the exercise of Bail-in Powers by the Relevant Resolution Authority in relation to any BRRD Liability of each BRRD Party to the Issuer under this Agreement that (without limitation) may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the BRRD Liability or outstanding amounts due thereon;
  - (ii) the conversion of all, or a portion, of the BRRD Liability into shares, other securities or other obligations of a BRRD Party or another person, and the issue to or conferral on the Issuer of such shares, securities or obligations;
  - (iii) the cancellation of the BRRD Liability;
  - (iv) the amendment or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period;
- (b) the variation of the terms of this Agreement, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of Bail-in Powers by the Relevant Resolution Authority.



For the purposes of this Clause 31:

**Bail-in Legislation** means in relation to a Member State of the European Economic Area which has implemented, or which at any time implements, the BRRD, the relevant implementing law, regulation, rule or requirement as described in the EU Bail-in Legislation Schedule from time to time;

**Bail-in Powers** means any Write-down and Conversion Powers as defined in the EU Bail-in Legislation Schedule, in relation to the relevant Bail-in Legislation;

**BRRD** means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms;

**BRRD Liability** means a liability in respect of which the relevant Bail-in Powers may be exercised;

**BRRD Party** means any party to this Agreement subject to Bail-in Powers;

**EU Bail-in Legislation Schedule** means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at <http://www.lma.eu.com/pages.aspx?p=499>; and

**Relevant Resolution Authority** means the resolution authority with the ability to exercise any Bail-In Powers in relation to each BRRD Party.

## **32. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

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

## **33. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **33.1 Governing law**

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

### **33.2 Submission to jurisdiction**

- (a) Subject to subclause 33.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (a **Dispute**) and each party submits to the exclusive jurisdiction of the English courts.
- (b) For the purpose of this subclause 33.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Paying Agents may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **33.3 Appointment of Process Agent**

The Issuer irrevocably appoints Law Debenture Corporate Services Limited at 8<sup>th</sup> Floor, 100 Bishopsgate, London, EC2N 4AG as its agent under this Agreement for service of process in any

proceedings before the English courts in relation to any Dispute, and agrees that, in the event of Law Debenture Corporate Services Limited 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 on terms acceptable to the Agents, failing which the Agents may appoint another process agent for this purpose. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Clause 33 shall affect the right to serve process in any other manner permitted by law.

#### **34. GENERAL**

- 34.1 This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
- 34.2 If any provision in or obligation under this Agreement is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Agreement, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Agreement.
- 34.3 Each Noteholder acknowledges that the obligations and liabilities of the Issuer under the Notes and this Agreement are not guaranteed by the New Zealand Crown.

**SCHEDULE 1**  
**FORM OF CALCULATION AGENCY AGREEMENT**

**CALCULATION AGENCY AGREEMENT**

**DATED [     ]**

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**  
**as Issuer**

**U.S.\$10,000,000,000**  
**EURO MEDIUM TERM NOTE PROGRAMME**

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**THIS AGREEMENT** is dated [●]

**BETWEEN:**

- (1) **NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED** (the **Issuer**); [and]
- (2) [ ] of [ ] (the **Calculation Agent**, which expression shall include any successor calculation agent appointed under this Agreement).

**IT IS AGREED:**

**1. APPOINTMENT OF THE CALCULATION AGENT**

The Calculation Agent is appointed, and the Calculation Agent agrees to act, as Calculation Agent in respect of each Series of Notes described in the Schedule (the **Relevant Notes**) for the purposes set out in Clause 2 and on the terms of this Agreement. The agreement of the parties that this Agreement is to apply to each Series of Relevant Notes shall be evidenced by the manuscript annotation and signature in counterpart of the Schedule.

**2. DUTIES OF CALCULATION AGENT**

The Calculation Agent shall in relation to each series of Relevant Notes (each a **Series**) perform all the functions and duties imposed on the Calculation Agent by the terms and conditions of the Relevant Notes (the **Conditions**) including endorsing the Schedule appropriately in relation to each Series of Relevant Notes.

**3. EXPENSES**

The arrangements in relation to expenses will be separately agreed in relation to each issue of Relevant Notes.

**4. INDEMNITY**

- 4.1 The Issuer shall indemnify the Calculation Agent and its officers, directors, employees, representatives and agents against any losses, liabilities, costs, claims, actions, demands or expenses (together, **Losses**) (including, but not limited to, all reasonable costs, legal fees, charges and expenses (together, **Expenses**) paid or incurred in disputing or defending any Losses) which it may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers and duties under this Agreement except for any Losses or Expenses resulting from its own wilful default, gross negligence or fraud or that of its officers, directors or employees.
- 4.2 The Calculation Agent shall indemnify the Issuer against any Losses (including, but not limited to, all reasonable Expenses paid or incurred in disputing or defending any Losses) which the Issuer may incur or which may be made against the Issuer as a result of the breach by the Calculation Agent of the terms of this Agreement or its default, gross negligence or bad faith or that of its officers, directors or employees.

**5. CONDITIONS OF APPOINTMENT**

- 5.1 In acting under this Agreement and in connection with the Relevant Notes, the Calculation Agent shall act solely as an agent of the Issuer and will not assume any obligations towards or relationship of agency or trust for or with any of the owners or holders of the Relevant Notes or the coupons (if any) appertaining to the Relevant Notes (the **Coupons**).

- 5.2 In relation to each issue of Relevant Notes, the Calculation Agent shall be obliged to perform the duties and only the duties specifically stated in this Agreement and the Conditions and no implied duties or obligations shall be read into this Agreement or the Conditions against the Calculation Agent, other than the duty to act honestly and in good faith and to exercise the diligence of a reasonably prudent expert in comparable circumstances.
- 5.3 The Calculation Agent may consult with legal and other professional advisers and the opinion of the advisers shall be full and complete protection in respect of any action taken, omitted or suffered under this Agreement in good faith and in accordance with the opinion of the advisers.
- 5.4 The Calculation Agent shall be protected and shall incur no liability in respect of any action taken, omitted or suffered in reliance on any instruction from the Issuer or any document which it reasonably believes to be genuine and to have been delivered by the proper party, such party having acted or acting on instructions of the Issuer, or on written instructions from the Issuer.
- 5.5 The Calculation Agent and any of its officers, directors and employees may become the owner of, or acquire any interest in, any Notes or Coupons (if any) with the same rights that they would have had if the Calculation Agent were not appointed under this Agreement, and may engage or be interested in any financial or other transaction with the Issuer and may act on, or as depositary, trustee or agent for, any committee or body of holders of Notes or Coupons or in connection with any other obligations of the Issuer as freely as if the Calculation Agent were not appointed under this Agreement.

**6. TERMINATION OF APPOINTMENT**

- 6.1 The Issuer may terminate the appointment of the Calculation Agent at any time by giving to the Calculation Agent at least 45 days' prior written notice to that effect, provided that, so long as any of the Relevant Notes are outstanding:
  - (a) the notice shall not expire less than 45 days before any date on which any calculation is due to be made in respect of any Relevant Notes; and
  - (b) notice shall be given in accordance with the Conditions to the holders of the Relevant Notes at least 30 days before any removal of the Calculation Agent.
- 6.2 Notwithstanding the provisions of subclause 6.1, if at any time:
  - (a) the Calculation Agent becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or any substantial part of its property, or admits in writing its inability to pay or meet its debts as they may mature or suspends payment of its debts, or if any order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law or if a receiver of it or of all or a substantial part of its property is appointed or if any officer takes charge or control of the Calculation Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation; or
  - (b) the Calculation Agent fails duly to perform any function or duty imposed on it by the Conditions and this Agreement,

the Issuer may immediately without notice terminate the appointment of the Calculation Agent, in which event notice of the termination shall be given to the holders of the Relevant Notes in accordance with the Conditions as soon as practicable.

- 6.3 The termination of the appointment of the Calculation Agent under subclauses 6.1 or 6.2 shall not entitle the Calculation Agent to any amount by way of compensation but shall be without prejudice to any amount then accrued due.
- 6.4 The Calculation Agent may resign its appointment under this Agreement at any time by giving to the Issuer at least 60 days' prior written notice to that effect. Following receipt of a notice of resignation from the Calculation Agent, the Issuer shall promptly give notice of the resignation to the holders of the Relevant Notes in accordance with the Conditions.
- 6.5 Notwithstanding the provisions of subclauses 6.1, 6.2 and 6.4, so long as any of the Relevant Notes are outstanding, the termination of the appointment of the Calculation Agent (whether by the Issuer or by the resignation of the Calculation Agent) shall not be effective unless upon the expiry of the relevant notice a successor Calculation Agent has been appointed. The Issuer agrees with the Calculation Agent that if, by the day falling 10 days before the expiry of any notice under subclause 6.4, the Issuer has not appointed a replacement Calculation Agent, the Calculation Agent shall be entitled, on behalf of the Issuer to appoint as a successor Calculation Agent in its place a reputable financial institution of good standing which the Issuer shall approve.
- 6.6 Upon its appointment becoming effective, a successor Calculation Agent shall without any further action, become vested with all the authority, rights, powers, duties and obligations of its predecessor with the same effect as if originally named as the Calculation Agent under this Agreement.
- 6.7 If the appointment of the Calculation Agent under this Agreement is terminated (whether by the Issuer or by the resignation of the Calculation Agent), the Calculation Agent shall on the date on which the termination takes effect deliver to the successor Calculation Agent any records concerning the Relevant Notes maintained by it (except those documents and records which it is obliged by law or regulation to retain or not to release), but shall have no other duties or responsibilities under this Agreement.
- 6.8 Any corporation into which the Calculation Agent may be merged or converted, or any corporation with which the Calculation Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Calculation Agent shall be a party, or any corporation to which the Calculation Agent shall sell or otherwise transfer all or substantially all of its assets shall, on the date when the merger, consolidation or transfer becomes effective and to the extent permitted by any applicable laws, become the successor Calculation Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties to this Agreement, unless otherwise required by the Issuer and after the said effective date all references in this Agreement to the Calculation Agent shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion, consolidation or transfer shall immediately be given to the Issuer and the Principal Paying Agent by the Calculation Agent.

## **7. COMMUNICATIONS**

- 7.1 All communications shall be by email or letter delivered by hand. Each communication shall be made to the relevant party at the email address or address and marked for the attention of the person or department from time to time specified in writing by that party to the others for the purpose. The initial email address, address and person or department so specified by each party are set out in the Procedures Memorandum or, in the case of the Calculation Agent, on the signature page of this Agreement.
- 7.2 A communication shall be deemed received (if by letter) when delivered, (if by email) when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication in each case in the manner required by this

Clause 7. However, if a communication is received after 5:00pm on any business day or on a day which is not a business day in the place of receipt it shall be deemed to be received and become effective at the opening of business on the next business day in the place of receipt. Every communication shall be irrevocable save in respect of any manifest error in it.

7.3 Any notice given under or in connection with this Agreement shall be in English. All other documents provided under or in connection with this Agreement shall be:

- (a) in English; or
- (b) if not in English, accompanied by a certified English translation and, in this case, the English translation shall prevail unless the document is a statutory or other official document.

7.4 The Calculation Agent may rely upon and comply with instructions and directions sent by electronic mail and other similar unsecured electronic methods (**Electronic Methods**) by persons reasonably believed by it to be authorised to give instructions and directions on behalf of the Issuer. Each Agent shall have no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Issuer and shall have no liability for any losses, liabilities, costs or expenses incurred or sustained by the Issuer, the Noteholders, or any other person as a result of such reliance upon or compliance with such instructions or directions. The Issuer agrees to assume all risks arising out of the use of Electronic Methods to submit, deliver or give communications, instructions and directions to the Calculation Agent, including without limitation the risk of the Calculation Agent acting on unauthorised communications, instructions or directions, and the risk of interception and misuse by third parties. The Issuer agrees that the indemnity set out in subclause 4.1 shall apply in respect of any loss or liability suffered by the Calculation Agent as a result of acting upon communications, instructions and directions sent by Electronic Methods.

## 8. GENERAL

8.1 The descriptive headings in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

8.2 This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

8.3 If any provision in or obligation under this Agreement is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Agreement, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Agreement.

8.4 Each Noteholder acknowledges that the obligations and liabilities of the Issuer under the Notes and this Agreement are not guaranteed by the New Zealand Crown.

## 9. RECOGNITION OF BAIL-IN POWERS

[Notwithstanding and to the exclusion of any other term of this Agreement, or any other agreements, arrangements, or understandings between or among any of the parties to this Agreement, each of the parties to this Agreement acknowledges, accepts and agrees that a BRRD Liability arising under this Agreement may be subject to the exercise of Bail-in Powers by the Relevant Resolution Authority and acknowledges, accepts, consent and agrees to be bound by:



- (a) the effect of the exercise of Bail-in Powers by any Relevant Resolution Authority in relation to any BRRD Liability of any BRRD Party to it under this Agreement that (without limitation) may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of any BRRD Liability or outstanding amounts due thereon;
  - (ii) the conversion of all, or a portion, of any BRRD Liability into shares, other securities or other obligations of the relevant BRRD Party or another person (and the issue to or conferral on the Issuer of such shares, securities or obligations);
  - (iii) the cancellation of any BRRD Liability; or
  - (iv) the amendment or alteration of the amounts due in relation to the BRRD Liability, including any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period; and
- (b) the variation of the terms of this Agreement, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of Bail-in Powers by any Relevant Resolution Authority.

For the purposes of this Clause 9:

**Bail-in Legislation** means in relation to a member state of the European Economic Area which has implemented, or which at any time implements, the BRRD, the relevant implementing law, regulation, rule or requirement as described in the EU Bail-in Legislation Schedule from time to time;

**Bail-in Powers** means any Write-down and Conversion Powers as defined in the EU Bail-in Legislation Schedule, in relation to the relevant Bail-in Legislation;

**BRRD** means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms;

**BRRD Liability** means a liability in respect of which the relevant Bail-in Powers may be exercised may be exercised;

**BRRD Party** means any party to this Agreement that is subject to Bail-in Powers;

**EU Bail-in Legislation Schedule** means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at <https://www.lma.eu.com/documents-guidelines/eu-bail-legislation-schedule>; and

**Relevant Resolution Authority** means in respect of any BRRD Party, the resolution authority with the ability to exercise any Bail-in Powers in relation to such BRRD Party.] *[To be inserted if an in scope EEA financial institution is party to the Agreement]*

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

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

## 11. GOVERNING LAW AND SUBMISSION TO JURISDICTION

### 11.1 Governing law

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

### 11.2 Submission to jurisdiction

- (a) Subject to subclause 11.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (a **Dispute**) and each party submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this subclause 11.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Calculation Agent may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### 11.3 Appointment of Process Agent

The Issuer irrevocably appoints [●] at [●] as its agent under this Agreement for service of process in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of [●] 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 on terms acceptable to the Calculation Agent, failing which the Calculation Agent may appoint another process agent for this purpose. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Clause 11 shall affect the right to serve process in any other manner permitted by law.

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

#### The Issuer

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**

By:

#### The Calculation Agent

[CALCULATION AGENT]

[Address of Calculation Agent]

Email: [ ]

Attention: [ ]

By:

**Contact Details**

**DEUTSCHE BANK AG, HONG KONG BRANCH** Address: Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong

Email: [debtagency.hkcs@list.db.com](mailto:debtagency.hkcs@list.db.com)

Attention: Corporate Trust, Trust and Agency Services

Fax: +852 2203 7320

**SCHEDULE TO THE CALCULATION AGENCY AGREEMENT**

Series Number	Issue Date	Maturity Date [(if any)]	Title and Amount	Nominal	Annotation Calculation Agent/Issuer	by
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## SCHEDULE 2

### TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Applicable Pricing Supplement” for a description of the content of Pricing Supplement 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 New Zealand Local Government Funding Agency Limited (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 in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form (**Bearer Notes**) issued in exchange for a Global Note in bearer form; and
- (d) any definitive Notes in registered form (**Registered Notes**) (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below):

- (a) have the benefit of the guarantee and indemnity under the guarantee and indemnity dated 7 December 2011, as amended, supplemented or restated from time to time (the **Guarantee**) given by each person who is an “Initial Guarantor” under the Guarantee (the **Initial Guarantors**) and each person who, from time to time, accedes to the Guarantee as an “Additional Guarantor” pursuant to clause 12.4 (“*Additional Guarantors*”) of the Guarantee (the **Additional Guarantors**, and together with the Initial Guarantors, the **Guarantors**, provided that upon such entity being released as a “Guarantor” in accordance with the Guarantee, such entity will cease to be a Guarantor). Each Guarantor provides a Debenture Trust Deed (as defined in the Security Trust Deed) to secure its obligations under the Guarantee. TEL Security Trustee (LGFA) Limited (the **Security Trustee**, which term shall include any successor Security Trustee) and the Issuer entered into a security trust deed dated 7 December 2011 (as amended, supplemented or restated from time to time, the **Security Trust Deed**) under which the Security Trustee holds the benefit of the Guarantee and Security (as defined in the Security Trust Deed) for the Beneficiaries (which includes the Noteholders);
- (b) have the benefit of an agency agreement (such agency agreement as may be modified and/or amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 22 January 2025 and made between the Issuer and Deutsche Bank AG, Hong Kong Branch as principal paying agent and registrar (the **Principal Paying Agent** and the **Registrar**, which expressions shall include any successor principal paying agent and any successor as registrar) and the other paying agents and transfer agents named therein (the **Paying Agents** and the **Transfer Agents**, which expressions shall include any additional or successor paying agents and transfer agents). If so specified in the applicable

Pricing Supplement, the Issuer will also appoint a calculation agent with respect to a Series (the **Calculation Agent**, which expression shall include any successor calculation agent and any other calculation agent specified in the applicable Pricing Supplement). The Principal Paying Agent, the Calculation Agent (if any is specified in the applicable Pricing Supplement), the Registrar, the other Paying Agents and the other Transfer Agents together referred to as the **Agents**.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on this Note which supplement these Terms and Conditions (the **Conditions**) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purpose of this Note. References to the **applicable Pricing Supplement** are, unless otherwise stated, to Part A of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Interest bearing definitive Bearer Notes have interest coupons (**Coupons**) and, in the case of Bearer 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. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered 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.

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 or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders 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 22 January 2025 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream (as defined below).

Copies of the Agency Agreement, the Guarantee, the Security Trust Deed and the Deed of Covenant (i) are available for inspection during normal business hours at the specified office of each of the Paying Agents or (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agents or the Issuer and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent or the Issuer, as the case may be). The applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. 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 Guarantee, the Security Trust Deed, the Deed of Covenant and the applicable Pricing Supplement which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement and the Security Trust Deed (as applicable).

Words and expressions defined in the Agency Agreement or used in the applicable Pricing Supplement 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 Pricing Supplement, the applicable Pricing Supplement will prevail.

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

## 1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Pricing Supplement 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 Pricing Supplement. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a 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 Pricing Supplement.

Definitive Bearer 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 Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream**), each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or of Clearstream as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream 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 Bearer Global Note or the registered holder of the relevant Registered 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/or Clearstream, as the case may be. References to Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

## 2. TRANSFERS OF REGISTERED NOTES

### 2.1 Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note of the same series only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the

time being of Euroclear or Clearstream, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

## **2.2 Transfers of Registered Notes in definitive form**

Subject as provided in Condition 2.3 below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (a) the holder or holders must (i) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 7 to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

## **2.3 Registration of transfer upon partial redemption**

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

## **2.4 Costs of registration**

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

# **3. STATUS OF THE NOTES AND THE GUARANTEE**

## **3.1 Status of the Notes**

The Notes and Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank at least *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsubordinated and unsecured obligations of the Issuer, from time to time outstanding.

## **3.2 Status of the Guarantee**

The obligations of the Issuer under the Notes and the Deed of Covenant are guaranteed by the Guarantors under the Guarantee. The obligations of each Guarantor under the Guarantee are secured by that Guarantor's Debenture Trust Deed.



### 3.3 Security arrangement under the Security Trust Deed

The payment of principal and interest in respect of the Notes are subject to the benefit of the Guarantee. The Guarantors each guarantee to the Security Trustee, for the benefit of each Noteholder and other creditors of the Issuer to whom the Issuer extends the benefit of the Guarantee and Security Trust Deed from time to time (each such creditor, including any Noteholder, a **Beneficiary**), the Issuer's due payment and delivery of all amounts the Issuer is or may at any time become liable to pay to the Beneficiaries under specified finance documents (including the Notes).

Each Guarantor is required to enter into a Debenture Trust Deed with a Debenture Trustee whereby a security interest is created in favour of the Debenture Trustee over all rates a Guarantor sets or assesses from time to time under certain legislation or arising under section 115 of the Local Government Act 2002 of New Zealand and all rates revenue in respect thereof. The security is limited to rates and rates revenues, and does not extend to any other assets of such Guarantor. The security interest is held by the Debenture Trustee for the benefit of all creditors of the Guarantor to whom the Guarantor has issued stock (including Security Stock).

Each Guarantor must have issued (i) Security Stock to the Security Trustee to secure its liabilities under the Guarantee; and (ii) a Security Stock Certificate to the Security Trustee in relation to the Guarantee. The Security Trustee holds the benefit of the Security Stock on behalf of each Noteholder (and the other Beneficiaries) from time to time.

If a Guarantor does not satisfy its obligations under the Guarantee, Noteholders are entitled to request the Security Trustee to request the relevant Debenture Trustee to enforce the security interest created by the Debenture Trust Deed, subject to the provisions set out in the Security Trust Deed.

A Debenture Trustee is not required to enforce the security interest created by the Debenture Trust Deed unless directed to do so by an extraordinary resolution of stockholders of the relevant Guarantor and/or in certain cases a specified percentage of "majority stockholders" of the relevant Guarantor. The Debenture Trustee is not bound to comply with such a direction if it is not first indemnified to its satisfaction against any actions, proceedings, claims, demands, costs and expenses that it may face as a result of complying with the direction. The Debenture Trustee has the power under the relevant Debenture Trust Deed to appoint a receiver to levy a special rate on the relevant Local Authority's ratepayers.

For the purposes of these Conditions:

**Debenture Trust Deed** means a deed entered into by a Guarantor under which (among other things) certain of the Guarantor's indebtedness may, from time to time, be secured by the issuing of Security Stock;

**Debenture Trustee** means the "Trustee" as specified in a Debenture Trust Deed;

**Security Stock** means security stock issued under a Debenture Trust Deed in respect of obligations owed by a Guarantor;

**Security Stock Certificate** means a certificate issued by a Guarantor pursuant to a Debenture Trust Deed in respect of Security Stock; and

**Local Authority** means a Local Authority as defined in the Local Government Act 2002 of New Zealand.

#### 4. INTEREST

The applicable Pricing Supplement will indicate whether the Notes are Fixed Rate Notes, Floating Rate Notes or Zero Coupon Notes or whether a different interest basis applies.

##### 4.1 Interest on Fixed Rate Notes

This Condition 4.1 applies to Fixed Rate Notes only. The applicable Pricing Supplement contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Pricing Supplement 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 Bearer Notes in definitive form, except as provided in the applicable Pricing Supplement, 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 Pricing Supplement, amount to the Broken Amount so specified.

As used in the 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 and **Calculation Amount** has the meaning given in the applicable Pricing Supplement.

Except in the case of Bearer Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, 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 (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (b) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

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

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

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

**Day Count Fraction** means, in respect of the calculation of an amount of interest, in accordance with this Condition 4.1:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Pricing Supplement:
  - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period 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 Pricing Supplement) that would occur in one calendar year; or
  - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Pricing Supplement, 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.

## 4.2 Interest on Floating Rate Notes

### (a) Interest Payment Dates

This Condition 4.2 applies to Floating Rate Notes only. The applicable Pricing Supplement contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 4.2 for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Pricing Supplement will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, the party who will calculate the amount of interest due if it is not the Principal Paying Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction. The applicable Pricing Supplement will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

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 Pricing Supplement; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, 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 Pricing Supplement 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 Pricing Supplement 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 4.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of sub-paragraph (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of sub-paragraph (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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) 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) 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 London and each Additional Business Centre (other than T2) specified in the applicable Pricing Supplement;
- (b) if T2 is specified as an Additional Business Centre in the applicable Pricing Supplement, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system (**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 will be determined in the manner specified in the applicable Pricing Supplement.

**(i) *Screen Rate Determination for Floating Rate Notes - Term Rate***

This Condition 4.2(b)(i) applies where “Term Rate” is specified in the applicable Pricing Supplement to be “Applicable”.

The Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being EURIBOR, as specified in the applicable Pricing Supplement) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of Condition 4.2(b)(i)(A), no offered quotation appears or, in the case of Condition 4.2(b)(i)(B), fewer than three offered quotations appear, in each case as at the Specified Time, the Issuer shall request each of the Reference Banks to provide the Principal Paying Agent or the Calculation Agent, as applicable, with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as applicable, with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent or the Calculation Agent, as applicable, with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent or the Calculation Agent, as

applicable, determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent or the Calculation Agent, as applicable, by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as applicable, with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Principal Paying Agent or the Calculation Agent, as applicable, it is quoting to leading banks in the Euro-zone inter-bank market plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than EURIBOR, the Rate of Interest in respect of the Notes will be determined as provided in the applicable Pricing Supplement.

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

For the purposes of this Condition 4.2(b)(i):

**Reference Banks** means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case as selected by the Issuer; and

**Specified Time** means 11.00 a.m. (Brussels time).

(ii) ***Screen Rate Determination for Floating Rate Notes – Overnight Rate - Compounded Daily SONIA - Non-Index Determination***

This Condition 4.2(b)(ii) applies where the applicable Pricing Supplement specifies: (1) “*Overnight Rate*” to be “Applicable”; (2) “*Compounded Daily SONIA*” as the Reference Rate; and (3) “*Index Determination*” to be “Not Applicable”.

(A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

**Compounded Daily SONIA** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Principal Paying Agent or the Calculation Agent, as applicable 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):

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

where:

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

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

**D** is the number specified as such in the applicable Pricing Supplement (or, if no such number is specified, 365);

**d<sub>o</sub>** means:

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

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

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

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

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

**Observation Period** means the period from (and including) the date falling “**p**” London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “**p**” London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

**p** means:

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

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

**SONIA<sub>t</sub>** means the SONIA reference rate for:

- (i) where “Lag” is specified as the Observation Method in the applicable Pricing Supplement, the London Banking Day falling “*p*” London Banking Days prior to the relevant London Banking Day “*t*”; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Pricing Supplement, the relevant London Banking Day “*t*”.

(B) Subject to Condition 4.2(c) if, where any Rate of Interest is to be calculated pursuant to Condition 4.2(b)(ii)(A) above, in respect of any London Banking Day on which an applicable SONIA reference rate is required to be determined, such SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the SONIA reference rate in respect of such London Banking Day shall be the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable as:

- (1) the sum of (i) the Bank of England’s Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (2) if the Bank Rate under (1)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined under (1) above,

and, in each case, references to “SONIA reference rate” in Condition 4.2(b)(ii)(A) above shall be construed accordingly.



(C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4.2(b)(ii), and without prejudice to Condition 4.2(c), the Rate of Interest shall be:

- (1) that determined as at the last preceding Interest Determination Date on which the Rate of Interest was so determined (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or
- (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

(iii) ***Screen Rate Determination – Overnight Rate - Compounded Daily SONIA - Index Determination***

This Condition 4.2(b)(iii) applies where the applicable Pricing Supplement specifies: (1) “*Overnight Rate*” to be “Applicable”; (2) “*Compounded Daily SONIA*” as the Reference Rate; and (3) “*Index Determination*” to be “Applicable”.

- (A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be the Compounded Daily SONIA Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

**Compounded Daily SONIA Rate** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Principal Paying Agent or the Calculation Agent, as applicable by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time on the relevant Interest Determination Date, as further specified in the applicable Pricing Supplement (the **SONIA Compounded Index**) and in accordance with the following formula:

$$\left( \frac{SONIA\ COMPOUNDED\ INDEX_{End}}{SONIA\ COMPOUNDED\ INDEX_{Start}} - 1 \right) \times \frac{365}{d}$$

where:

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

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

**Relevant Number** is the number specified as such in the applicable Pricing Supplement (or, if no such number is specified, five);

**SONIA Compounded Index<sub>Start</sub>** means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Accrual Period; and

**SONIA Compounded Index<sub>End</sub>** means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the Interest Payment Date for such Interest Accrual Period, or (B) 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 Accrual Period).

If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA Rate for the applicable Interest Accrual Period for which the SONIA Compounded Index is not available shall be “Compounded Daily SONIA” determined in accordance with Condition 4.2(b)(ii) above as if “*Index Determination*” were specified in the applicable Pricing Supplement as being “Not Applicable”, and for these purposes: (i) the “*Observation Method*” shall be deemed to be “*Observation Shift*” and (ii) the “*Observation Shift Period*” shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Pricing Supplement.

(iv) ***Screen Rate Determination – Overnight Rate – Compounded Daily SOFR – Non-Index Determination***

This Condition 4.2(b)(iv) applies where the applicable Pricing Supplement specifies: (1) “*Overnight Rate*” to be “Applicable”; (2) “*Compounded Daily SOFR*” as the Reference Rate; and (3) “*Index Determination*” to be “Not Applicable”.

(A) **Compounded Daily SOFR**

The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be Compounded Daily SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

**Compounded Daily SOFR** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily U.S. dollars secured overnight financing rate as reference rate for the calculation of interest) as calculated by the Principal Paying Agent or the Calculation Agent, as applicable 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):

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

where:

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

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

**D** is the number specified as such in the applicable Pricing Supplement (or, if no such number is specified, 360);

**d<sub>o</sub>** means:

- (i) where “Lag” is specified as the Observation Method in the applicable Pricing Supplement, the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Pricing Supplement, the number of U.S. Government Securities Business Days in 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 applicable Pricing Supplement, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

**New York Fed’s Website** means the website of the Federal Reserve Bank of New York (or a successor administrator of SOFR) or any successor source;

**n<sub>i</sub>** for any U.S. Government Securities Business Day “i”, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day;

**Observation Period** means the period from (and including) the date falling “p” U.S. Government Securities Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “p” U.S. Government Securities Business Days prior to (A) (in the case of an Interest Period) the Interest Payment

Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

*p* means:

- (i) where “Lag” is specified as the Observation Method in the applicable Pricing Supplement, the number of U.S. Government Securities Business Days specified as the “Lag Period” in the applicable Pricing Supplement; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Pricing Supplement, the number of U.S. Government Securities Business Days specified as the “Observation Shift Period” in the applicable Pricing Supplement;

**SOFR** in respect of any U.S. Government Securities Business Day (**USBD<sub>x</sub>**), is a reference rate equal to the daily secured overnight financing rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed’s Website, in each case at or around 3.00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following such USBD<sub>x</sub>;

**SOFR<sub>i</sub>** means the SOFR for:

- (i) where “Lag” is specified as the Observation Method in the applicable Pricing Supplement, 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*”;
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Pricing Supplement, the relevant U.S. Government Securities Business Day “*i*”; and

**U.S. Government Securities Business Day** means any day except for a Saturday, 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.

- (B) SOFR Unavailable

Subject to Condition 4.2(c), if, where any Rate of Interest is to be calculated pursuant to this Condition 4.2(b)(iv), in respect of any U.S. Government Securities Business Day in respect of which an applicable SOFR is required to be determined, such SOFR is not available, such SOFR shall be the SOFR for the first preceding U.S. Government Securities Business Day in respect of which the SOFR was published on the New York Fed’s Website.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4.2(b)(iv) but without prejudice to Condition 4.2(c), the Rate of Interest shall be calculated in accordance, *mutatis mutandis*, with the provisions of Condition 4.2(b)(ii)(C).

- (v) **Screen Rate Determination – Overnight Rate - SOFR - Index Determination**

This Condition 4.2(b)(v) applies where the applicable Pricing Supplement specifies: (1) “Overnight Rate” to be “Applicable”; (2) “Compounded Daily SOFR” as the Reference Rate; and (3) “Index Determination” to be “Applicable”.

- (A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be the Compounded SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

**Compounded SOFR** means, with respect to an Interest Accrual Period, the rate (expressed as a percentage and rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards) determined by the Principal Paying Agent or the Calculation Agent, as applicable in accordance with the following formula:

$$\left( \frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \frac{360}{d_c}$$

where:

$d_c$  is the number of calendar days from (and including) the day in relation to which  $SOFR\ Index_{Start}$  is determined to (but excluding) the day in relation to which  $SOFR\ Index_{End}$  is determined;

**Relevant Number** is the number specified as such in the applicable Pricing Supplement;

**SOFR** means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator’s Website;

**SOFR Administrator** means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

**SOFR Administrator’s Website** means the website of the SOFR Administrator, or any successor source;

**SOFR Index**, with respect to any U.S. Government Securities Business Day, means the SOFR index value as published by the SOFR Administrator as such index appears on the SOFR Administrator’s Website at or around 3.00 p.m. (New York time) on such U.S. Government Securities Business Day (the **SOFR Determination Time**);

**SOFR Index<sub>Start</sub>**, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding the first day of such Interest Accrual Period;

**SOFR Index<sub>End</sub>**, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding (A) the Interest Payment Date for such Interest Accrual Period, or (B) 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 Accrual Period); and

**U.S. Government Securities Business Day** means any day except for a Saturday, 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.

- (vi) If, as at any relevant SOFR Determination Time, the relevant SOFR Index is not published or displayed on the SOFR Administrator's Website by the SOFR Administrator, the Compounded SOFR for the applicable Interest Accrual Period for which the relevant SOFR Index is not available shall be "Compounded Daily SOFR" determined in accordance with Condition 5.2(b)(iv) above as if "*Index Determination*" were specified in the applicable Pricing Supplement as being 'Not Applicable', and for these purposes: (i) the "*Observation Method*" shall be deemed to be "*Observation Shift*" and (ii) the "*Observation Shift Period*" shall be deemed to be equal to the Relevant Number of U.S. Government Securities Business Days, as if such alternative elections had been made in the applicable Pricing Supplement.
- (vii) ***Screen Rate Determination – Overnight Rate – €STR – Compounded Daily €STR Formula***

This Condition 4.2(b)(vii) applies where the applicable Pricing Supplement specifies: (1) "*Overnight Rate*" to be "Applicable"; (2) "**€STR**" as the Reference Rate; and (3) "***Compounded Daily €STR Formula***" as the Calculation Method.

The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be the Compounded Daily €STR Formula Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

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

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

the **€STR reference rate** means, in respect of any T2 Business Day, a reference rate equal to the daily €STR for such T2 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, or as otherwise published by such authorised distributors) on the T2 Business Day immediately following such T2 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 €STR);

**€STR<sub>i</sub>** means, in respect of any T2 Business Day "i":

- (i) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the €STR reference rate in respect of the T2 Business Day falling "p" T2 Business Days prior to the relevant T2 Business Day "i"; or

- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the €STR reference rate in respect of the relevant T2 Business Day "i";

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

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

**i** is a series of whole numbers from one to  $d_o$ , each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day in:

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

**n<sub>i</sub>**, for any T2 Business Day "i", means the number of calendar days from (and including) such T2 Business Day "i" up to (but excluding) the following T2 Business Day;

**Observation Period** means, in respect of an Interest Accrual Period, the period from (and including) the date falling "*p*" T2 Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling "*p*" T2 Business Days prior to (I) the Interest Payment Date for such Interest Accrual Period or (II) if applicable, the relevant payment date if the Notes become due and payable on a date other than an Interest Payment Date;

**p** means:

- (i) (where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the number of T2 Business Days included in the "Lag Lookback Period (*p*)" in the applicable Pricing Supplement (or, if no such number is so specified, five T2 Business Days); or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the number of T2 Business Days included in the "Observation Shift Period" in the applicable Pricing Supplement (or, if no such number is so specified, five T2 Business Days); and

**T2 Business Day** means any day on which T2 (as defined in Condition 4.2(a)) is open

(viii) ***Screen Rate Determination – Overnight Rate – €STR – €STR Index Determination***

This Condition 4.2(b)(viii) applies where the applicable Pricing Supplement specifies: (1) "***Overnight Rate***" to be "Applicable"; (2) "***€STR***" as the Reference Rate; and (3) "***€STR Index Determination***" as the Calculation Method.

The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be the €STR Compounded Index Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

**€STR Compounded Index Rate** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment in euro as calculated by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left( \frac{\text{€STR Compounded Index}_{\text{End}}}{\text{€STR Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{360}{d}$$

where:

**€STR Compounded Index<sub>End</sub>** means the €STR Compounded Index value relating to the T2 Business Day falling the Relevant Number of T2 Business Days prior to (I) the Interest Payment Date for the relevant Interest Accrual Period or (II) if applicable, the relevant payment date if the Notes become due and payable on a date other than an Interest Payment Date;

**€STR Compounded Index<sub>Start</sub>** means the €STR Compounded Index value relating to the T2 Business Day falling the Relevant Number of T2 Business Days prior to the first day of the relevant Interest Accrual Period;

the **€STR Compounded Index** means, with respect to any T2 Business Day, the value of the €STR Compounded Index that is published by the European Central Bank as the administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank or any successor website, in respect of such T2 Business Day;

**d** is the number of calendar days from (and including) the day in relation to which “€STR Compounded Index<sub>Start</sub>” is determined to (but excluding) the day in relation to which “€STR Compounded Index<sub>End</sub>” is determined (being the number of calendar days in the applicable reference period);

**Relevant Number** is as specified in the applicable Pricing Supplement; and

**T2 Business Day** has the meaning set out in Condition 4.2(b)(vii) above.

If the relevant €STR Compounded Index required to determine €STR Compounded Index<sub>Start</sub> or €STR Compounded Index<sub>End</sub> is not published or displayed by the European Central Bank as the administrator of the €STR reference rate (or any successor administrator of such rate) on the website of the European Central Bank or any successor website at the Relevant Time specified in the applicable Pricing Supplement (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of €STR) on the relevant Interest Determination Date, the €STR Compounded Index Rate for the applicable Interest Accrual Period for which the €STR Compounded Index is not available shall be the “Compounded Daily €STR Formula Rate” determined in accordance with Condition 4.2(b)(vii) above as if the Calculation Method specified in the applicable Pricing Supplement were “Compounded Daily €STR Formula” (and not “€STR Index Determination”), and for these purposes: (i) the “*Observation Method*” shall be deemed to be “*Observation Shift*”, and (ii) the “*Observation Shift Period*” shall be deemed to be equal to the Relevant Number of T2 Business Days, as if those alternative elections had been made in the applicable Pricing Supplement.

(ix) **Screen Rate Determination – Overnight Rate – €STR – Average €STR**



This Condition 4.2(b)(ix) applies where the applicable Pricing Supplement specifies: (1) “*Overnight Rate*” to be “Applicable”; (2) “*€STR*” as the Reference Rate; and (3) “*Average €STR*” as the Calculation Method.

The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be the Average €STR Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

**Average €STR Rate** means, with respect to an Interest Accrual Period, the arithmetic mean of the €STR reference rate in effect during such Interest Accrual Period as calculated by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_0} \text{€STR}_i \times n_i}{d}$$

where **€STR reference rate**, **€STR<sub>i</sub>**, **d**, **d<sub>0</sub>**, **i** and **n<sub>i</sub>** have the meanings set out in Condition 4.2(b)(vii) above.

For the purposes of Conditions 4.2(b)(vii) and 4.2(b)(ix) above, and subject to Condition 4.2(c) below, if, in respect of any T2 Business Day in the relevant Observation Period or the relevant Interest Accrual Period, as applicable, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) determines that the applicable €STR reference rate has not been published by the European Central Bank as the administrator of such rate (or any successor administrator of the €STR reference rate) on the website of the European Central Bank or any successor website, then the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement, as applicable) shall determine the €STR reference rate in respect of such T2 Business Day as being the €STR reference rate published by the European Central Bank as the administrator of the €STR reference rate (or any successor administrator of such rate), on the website of the European Central Bank or any successor website, for the first preceding T2 Business Day in respect of which the €STR reference rate was published by the European Central Bank as the administrator of the €STR reference rate (or any successor administrator of such rate) on the website of the European Central Bank or any successor website, and “€STR reference rate” shall be interpreted accordingly.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, and subject to Condition 4.2(c) below, the Rate of Interest shall be:

- (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or
- (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first scheduled Interest Accrual Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Accrual Period but ending on (and excluding) the Interest

Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

(x) **Screen Rate Determination – Overnight Rate – SARON – Compounded Daily SARON**

This Condition 4.2(b)(x) applies where the applicable Pricing Supplement specifies: (1) “Overnight Rate” to be “Applicable”; and (2) “Compounded Daily SARON” as the Reference Rate.

(A) **Compounded Daily SARON**

The Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(c) and as provided below, be Compounded Daily SARON with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

**Compounded Daily SARON** means, with respect to any Interest Accrual Period, subject to Condition 4.2(b)(x)(B) and Condition 4.2(c), the rate calculated by the Principal Paying Agent or the Calculation Agent, as applicable on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[ \prod_{i=1}^{d_b} \left( 1 + \frac{SARON_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d_c}$$

where:

**d<sub>b</sub>** means the number of Zurich Banking Days in the relevant SARON Observation Period;

**d<sub>c</sub>** means the number of calendar days in the relevant SARON Observation Period;

**i** indexes a series of whole numbers from one to “d<sub>b</sub>”, representing the Zurich Banking Days in the relevant SARON Observation Period in chronological order from (and including) the first Zurich Banking Day in such SARON Observation Period, to (and including) the last Zurich Banking Day in such SARON Observation Period;

**n<sub>i</sub>** means, in respect of any Zurich Banking Day “i”, the number of calendar days from (and including) such Zurich Banking Day “i” to (but excluding) the first following Zurich Banking Day; and

**SARON<sub>i</sub>** means, in respect of any Zurich Banking Day “i” in the relevant SARON Observation Period, SARON in respect of such Zurich Banking Day *i*.

(B) **SARON Unavailable and both a SARON Index Cessation Event and a SARON Index Cessation Effective Date have occurred**

(i) If the Principal Paying Agent or the Calculation Agent, as applicable, (A) is required to use a SARON Recommended Replacement Rate or the SNB

Policy Rate pursuant to sub-paragraphs (iii)(1) or (iii)(2) of the definition of “SARON” for purposes of determining SARON for any Zurich Banking Day, and (B) determines that (x) any changes to the definitions of Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Interest Accrual Period, SARON Observation Period, SARON, SARON Administrator, SARON Administrator Website, SARON Specified Time or Zurich Banking Day, and/or (y) any other technical changes to any other provision in this Condition 4.2 are necessary in order to use such SARON Recommended Replacement Rate (and any SARON Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may be, for such purposes, in a manner substantially consistent with market practice (or, if the Principal Paying Agent or the Calculation Agent, as applicable, decides that adoption of any portion of such market practice is not administratively feasible or if the Calculation Agent determines that no market practice for use of such SARON Recommended Replacement Rate (and any SARON Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread) exists, in such other manner as the Principal Paying Agent or the Calculation Agent, as applicable, determines is reasonably necessary), such definitions and other provisions will be amended pursuant to Condition 14(c) to reflect such changes, and the Issuer shall give notice as soon as practicable to the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 13, the Noteholders, specifying the SARON Recommended Replacement Rate and any SARON Recommended Adjustment Spread or any SNB Adjustment Spread, as applicable, and the amendments implemented pursuant to Condition 14(c).

(C) Definitions

For the purposes of this Condition 4.2(b)(x):

**SARON** means, in respect of any Zurich Banking Day,

- (i) the Swiss Average Rate Overnight for such Zurich Banking Day published by the SARON Administrator on the SARON Administrator Website at the SARON Specified Time on such Zurich Banking Day; or
- (ii) if such rate is not so published on the SARON Administrator Website at the SARON Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have not both occurred at or prior to the SARON Specified Time on such Zurich Banking Day, the Swiss Average Rate Overnight published by the SARON Administrator on the SARON Administrator Website for the last preceding Zurich Banking Day on which the Swiss Average Rate Overnight was published by the SARON Administrator on the SARON Administrator Website; or
- (iii) if such rate is not so published on the SARON Administrator Website at the SARON Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have both occurred at or prior to the SARON Specified Time on such Zurich Banking Day,

- (1) if there is a SARON Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the SARON Recommended Replacement Rate for such Zurich Banking Day, giving effect to the SARON Recommended Adjustment Spread, if any, published on such Zurich Banking Day; or
- (2) if there is no SARON Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the SNB Policy Rate for such Zurich Banking Day, giving effect to the SNB Adjustment Spread, if any.

Notwithstanding the above, if the SNB Policy Rate for any Zurich Banking Day with respect to which SARON is to be determined pursuant to sub-paragraph (iii)(2) has not been published on such Zurich Banking Day, then in respect of the Interest Accrual Period relating to the SARON Observation Period in which such Zurich Banking Day (such Interest Accrual Period, the **Affected Interest Accrual Period**), **Compounded Daily SARON** will mean (x) the Alternative Rate (giving effect to any Adjustment Spread) determined in accordance with Condition 4.2(c) or (y) if no such Alternative Rate has been so determined at least five Business Days prior to the Interest Determination Date for such Affected Interest Accrual Period, the Rate of Interest applicable to the Affected Interest Accrual Period shall be the Rate of Interest determined as at the Interest Determination Date in respect of the last preceding Interest Accrual Period (though substituting, where a different Margin is to be applied to the Affected Interest Period from that which applied to the last preceding Interest Accrual Period, the Margin relating to the Affected Interest Period, in place of the Margin relating to that last preceding Interest Period);

**SARON Administrator** means SIX Index Ltd (including any successor thereto) or any successor administrator of the Swiss Average Rate Overnight;

**SARON Administrator Website** means the website of the SIX Group, or any successor website or other source on which the Swiss Average Rate Overnight is published by or on behalf of the SARON Administrator;

**SARON Index Cessation Effective Date** means the earliest of:

- (i) in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (i) of the definition thereof, the date on which the SARON Administrator ceases to provide the Swiss Average Rate Overnight;
- (ii) in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (ii)(x) of the definition thereof, the latest of:
  - (x) the date of such statement or publication;
  - (y) the date, if any, specified in such statement or publication as the date on which the Swiss Average Rate Overnight will no longer be representative; and
  - (z) if a SARON Index Cessation Event described in sub-paragraph (ii)(y) of the definition thereof has occurred on or prior to either or both dates specified in sub-paragraphs (x) and (y) of this sub-paragraph (ii), the date as of which the Swiss Average Rate Overnight may no longer be used; and

in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (ii)(y) of the definition thereof, the date as of which the Swiss Average Rate Overnight may no longer be used;

**SARON Index Cessation Event** means the occurrence of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased or will cease to provide the Swiss Average Rate Overnight permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Swiss Average Rate Overnight; or
- (ii) a public statement or publication of information by the SARON Administrator or any competent authority announcing that (x) the Swiss Average Rate Overnight is no longer representative or will as of a certain date no longer be representative, or (y) the Swiss Average Rate Overnight may no longer be used after a certain date, which statement, in the case of sub-paragraph (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives;

**SARON Observation Period** means, in respect of an Interest Accrual Period, the period from (and including) the date falling five Zurich Banking Days prior to the first day of such Interest Accrual Period to (but excluding) the date falling five Zurich Banking Days prior to (I) the Interest Payment Date for such Interest Accrual Period or (II) if applicable, the relevant payment date if the Notes become due and payable on a date other than an Interest Payment Date;

**SARON Recommended Adjustment Spread** means, with respect to any SARON Recommended Replacement Rate, the spread (which may be positive, negative or zero), or formula or methodology for calculating such a spread:

- (i) that the SARON Recommending Body has recommended be applied to such SARON Recommended Replacement Rate in the case of fixed income securities with respect to which such SARON Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon;
- (ii) if the SARON Recommending Body has not recommended such a spread, formula or methodology as described in sub-paragraph (i) above, to be applied to such SARON Recommended Replacement Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Swiss Average Rate Overnight with such SARON Recommended Replacement Rate for purposes of determining SARON, which spread will be determined by the Calculation Agent, acting in good faith and a commercially reasonable manner, and be consistent with industry-accepted practices for fixed income securities with respect to which such SARON Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon;

**SARON Recommended Replacement Rate** means the rate that has been recommended as the replacement for the Swiss Average Rate Overnight by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for purposes of, among other things, considering proposals to reform reference interest rates in Switzerland (any such working group or committee, the **SARON Recommending Body**);

**SARON Specified Time** means, in respect of any Zurich Banking Day, close of trading on the trading platform of SIX Repo Ltd (or any successor thereto) on such Zurich Banking Day, which is expected to be on or around 6 p.m. (Zurich time);

**SNB Adjustment Spread** means, with respect to the SNB Policy Rate, the spread to be applied to the SNB Policy Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Swiss Average Rate Overnight with the SNB Policy Rate for purposes of determining SARON, which spread will be determined by the Principal Paying Agent or the Calculation Agent, as applicable, acting in good faith and a commercially reasonable manner, taking into account the historical median between the Swiss Average Rate Overnight and the SNB Policy Rate during the two year period ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event has occurred, the date on which the first of such events occurred);

**SNB Policy Rate** means, with respect to any Zurich Banking Day, the policy rate of the Swiss National Bank for such Zurich Banking Day; and

**Zurich Banking Day** means a day on which banks are open in the City of Zurich for the settlement of payments and of foreign exchange transactions.

(xi) ***Interest Accrual Period***

As used herein, an **Interest Accrual Period** means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 9, shall be the date on which such Notes become due and payable).

(c) **Benchmark Discontinuation**

This Condition 4.2(c) shall apply to each issue of Floating Rate Notes.

Notwithstanding the provisions in Condition 4.2(b) above, if (x) except where the Reference Rate is specified in the applicable Pricing Supplement as being Compounded Daily SARON, the Issuer (acting in good faith and in a commercially reasonable manner) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate; or (y) where the Reference Rate is specified in the applicable Pricing Supplement as being Compounded Daily SARON and the conditions set out in the last paragraph of the definition of “SARON” have been satisfied, then the following provisions of this Condition 4.2(c) shall apply.

(i) ***Successor Rate or Alternative Rate***

If there is a Successor Rate, then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Principal Paying Agent or the

Calculation Agent, as applicable, and, in accordance with Condition 13, the Noteholders of such Successor Rate. Such Successor Rate shall (subject to adjustment as provided in Condition 4.2(c)(ii)) subsequently be used by the Principal Paying Agent or the Calculation Agent, as applicable, in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4.2(c)). Where the Reference Rate is specified in the applicable Pricing Supplement as being Compounded Daily SARON, this sub-paragraph shall not apply for the purposes of this Condition 4.2(c) and the sub-paragraph below applies instead.

If there is no Successor Rate but the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an Alternative Rate, then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 13, the Noteholders of such Alternative Rate. Such Alternative Rate shall (subject to adjustment as provided in Condition 4.2(c)(ii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4.2(c)).

(ii) *Adjustment Spread*

If, in the case of a Successor Rate, an Adjustment Spread is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body, then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 13, the Noteholders of such Adjustment Spread and the Principal Paying Agent or the Calculation Agent, as applicable, shall apply such Adjustment Spread to the Successor Rate for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate.

If, in the case of a Successor Rate where no such Adjustment Spread is formally recommended or provided as an option by any Relevant Nominating Body, or in the case of an Alternative Rate, the Issuer, acting in good faith, in a commercially reasonable manner and following consultation with an Independent Adviser, determines that there is an Adjustment Spread in customary market usage in the international debt capital markets for transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be), then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 13, the Noteholders of such Adjustment Spread and the Principal Paying Agent or the Calculation Agent, as applicable, shall apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

If no such recommendation or option has been made (or made available) by any Relevant Nominating Body, or the Issuer so determines that there is no such Adjustment Spread in customary market usage in the international debt capital markets and the Issuer further determines, acting in good faith, in a commercially reasonable manner and following consultation with an Independent Adviser, that an Adjustment Spread is required to be applied

to the Successor Rate or the Alternative Rate (as the case may be), then the Adjustment Spread shall be:

- (A) the Adjustment Spread determined by the Issuer, acting in good faith, in a commercially reasonable manner and following consultation with an Independent Adviser, as being the Adjustment Spread recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (B) if there is no such industry standard recognised or acknowledged, such Adjustment Spread as the Issuer, acting in good faith, in a commercially reasonable manner and following consultation with an Independent Adviser, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

Following any such determination of the Adjustment Spread, the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 13, the Noteholders of such Adjustment Spread and the Principal Paying Agent or the Calculation Agent, as applicable, shall apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iii) *Benchmark Amendments*

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4.2(c) and the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its discretion (A) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation (having regard to prevailing market practice, if any) of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer and the Principal Paying Agent and/or the Calculation Agent, as applicable, shall agree without any requirement for the consent or approval of Noteholders to the necessary modifications to these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice, subject to the Issuer having to give notice thereof to the Noteholders in accordance with Condition 13 and any Benchmark Amendments not increasing the obligations or duties, or decreasing the rights or protections, of the Principal Paying Agent or the Calculation Agent, as applicable, in these Conditions and/or the Agency Agreement unless agreed between the Issuer and the Principal Paying Agent or the Calculation Agent, as applicable.

Notwithstanding any other provision of this Condition 4, if in the Principal Paying Agent's or Calculation Agent's opinion, as applicable, there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 4, the Principal Paying Agent or Calculation Agent, as applicable, shall promptly notify the Issuer thereof and the Issuer shall direct the Principal Paying Agent or Calculation Agent, as applicable, in writing as to which alternative course of action to adopt. If the Principal Paying Agent or Calculation Agent, as applicable, is not promptly provided with such direction, or is



otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Principal Paying Agent or Calculation Agent, as applicable, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

In connection with any such modifications in accordance with this Condition 4.2(c)(iii), if and for so long as the Notes are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

Any Benchmark Amendments determined under this Condition 4.2(c)(iii) shall be notified promptly by the Issuer to the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Amendments.

(iv) *Independent Adviser*

In the event the Issuer is to consult with an Independent Adviser in connection with any determination to be made by the Issuer pursuant to this Condition 4.2(c), the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

If, notwithstanding the Issuer's reasonable endeavours, the Issuer is unable to appoint and consult with an Independent Adviser in accordance with the foregoing paragraph, the Issuer shall nevertheless be entitled, acting in good faith and in a commercially reasonable manner, to make any and all determinations expressed to be made by the Issuer pursuant to this Condition 4.2(c), notwithstanding that such determinations are not made following consultation with an Independent Adviser. If, however, the Issuer is unable to determine a Successor Rate or an Alternative Rate and (in either case) the applicable Adjustment Spread and any Benchmark Amendments in accordance with this Condition 4.2(c), the relevant fallback provisions set out under Condition 4.2(b) shall apply.

An Independent Adviser appointed pursuant to this Condition 4.2(c) shall act in good faith and in a commercially reasonable manner and (in the absence of fraud or wilful default) shall have no liability whatsoever to the Issuer or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 4.2(c) or otherwise in connection with the Notes.

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

No Independent Adviser appointed in connection with the Notes (acting in such capacity), shall have any relationship of agency or trust with the Noteholders.

(v) *Survival of Original Reference Rate Provisions*

Without prejudice to the obligations of the Issuer under this Condition 4.2(c), the Original Reference Rate and the fallback provisions provided for in Condition 4.2(b) and the applicable Pricing Supplement, as the case may be, will continue to apply unless and until the Issuer has

determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 4.2(c).

(vi) *Definitions*

For the purposes of this Condition 4.2(c):

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

**Alternative Rate** means an alternative benchmark or screen rate which the Issuer determines in accordance with this Condition 4.2(c) is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

**Benchmark Event** means the earlier to occur of:

- (A) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;
- (B) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to such specified date;
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued, is prohibited from being used or is no longer representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, restrictions or adverse consequences are to apply from a specified date after the making of any public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; and
- (D) it has or will prior to the next Interest Determination Date become unlawful for the Calculation Agent, any Paying Agent or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate;

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

**Original Reference Rate** means the benchmark or screen rate (as applicable) originally specified in the applicable Pricing Supplement for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Notes (provided that if such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate, in the case of any subsequent operation of this Condition 4.2(c) in respect of such Successor Rate or

Alternative Rate, the term “Original Reference Rate” shall include any such Successor Rate or Alternative Rate);

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

- (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 (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities, or (iv) the Financial Stability Board or any part thereof; and
- (C) **Successor Rate** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

**(d) Minimum Rate of Interest and/or Maximum Rate of Interest**

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

**(e) Determination of Rate of Interest and calculation of Interest Amounts**

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

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

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

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount

by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4.2:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Pricing Supplement, 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 Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Pricing Supplement, 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 Pricing Supplement, 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 Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

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 D1 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 D1 is greater than 29, in which case D2 will be 30;

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

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

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 D1 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 D2 will be 30;

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

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

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 D1 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 D2 will be 30.

**(f) Linear Interpolation**

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

**Designated Maturity** means the period of time designated in the Reference Rate.

**(g) Notification of Rate of Interest and Interest Amounts**

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

Where the applicable Pricing Supplement specifies “*Overnight Rate*” to be “Applicable”, the Principal Paying Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Accrual Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the second Business Day thereafter. Each Rate of Interest, 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 relevant Interest Accrual Period. Any such amendment or alternative arrangements will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13.

**(h) Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2 by the Principal Paying Agent or the Calculation Agent, as applicable, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer the Principal Paying Agent, the other 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 Principal Paying Agent or the Calculation Agent, as applicable, in connection with the exercise or non exercise by it of its powers, duties and discretions pursuant to such provisions.

**4.3 Other Notes**

The rate or amount of interest payable in respect of Notes which are not also Fixed Rate Notes or Floating Rate Notes shall be determined in the manner specified in the applicable Pricing Supplement, and provided further that the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

**4.4 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 Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## **5. PAYMENTS**

### **5.1 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.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment or other laws and regulations to which the Issuer is subject, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the 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 any law implementing an intergovernmental approach thereto.

### **5.2 Presentation of definitive Bearer Notes and Coupons**

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 5.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

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

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

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

### 5.3 Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of 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 on such Global Note by the Paying Agent to which it was presented.

### 5.4 Payments in respect of Registered Notes

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the **Register**) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non resident of Japan, shall be a non resident account) maintained by a holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**). Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.



No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of Registered Notes.

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

## 5.5 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 as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, as the case may be, for their share of each payment so made by the Issuer, 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 Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (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 Bearer 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.

## 5.6 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 8) 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; and
  - (ii) in each Additional Financial Centre (other than T2) specified in the applicable Pricing Supplement;
- (b) if T2 is specified as an Additional Financial Centre in the applicable Pricing Supplement, 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.

## **5.7 Interpretation of principal and interest**

Any reference in the 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;
- (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; and
- (e) 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 7.

## **6. REDEMPTION AND PURCHASE**

### **6.1 Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date specified in the applicable Pricing Supplement.

### **6.2 Redemption for tax reasons**

Subject to Condition 6.5, 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 on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Principal Paying Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer:
  - (i) has or will become obliged to pay additional amounts as provided or referred to in Condition 7; or
  - (ii) is or will become liable to pay the approved issuer levy at a rate higher than the rate of the approved issuer levy as at the date of issue of the Notes under section 86J of the Stamp and Cheque Duties Act 1971 (NZ), should it elect to do so in order to reduce the rate of New Zealand non-resident withholding tax applicable to payments under the Notes to zero per cent.,

in each case, as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any change in the application or official

interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Principal Paying Agent to make available at its specified office to the Noteholders (i) a certificate signed by two duly authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) 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.

Notes redeemed pursuant to this Condition 6.2 will be redeemed at their Early Redemption Amount referred to in Condition 6.5 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

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

This Condition 6.3 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than for taxation reasons), such option being referred to as an **Issuer Call**. The applicable Pricing Supplement contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 6.3 for full information on any Issuer Call. In particular, the applicable Pricing Supplement 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 Issuer Call is specified as being applicable in the applicable Pricing Supplement, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement.

In the case of a partial redemption of Notes, the Notes to be redeemed (Redeemed Notes) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption.

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

This Condition 6.4 applies to 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 Pricing Supplement contains provisions applicable to any Investor Put and must be read in conjunction with this Condition 6.4 for full information on any Investor Put. In particular, the applicable Pricing

Supplement will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.

If Investor Put is specified as being applicable in the applicable Pricing Supplement, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

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, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If this Note is in definitive bearer form, 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, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream (which may include notice being given on their instruction by Euroclear, Clearstream or any common depositary or common safekeeper, as the case may be for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream by a holder of any Note pursuant to this Condition 6.4 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6.4 and instead to declare such Note forthwith due and payable pursuant to Condition 9.

## 6.5 Early Redemption Amounts

For the purpose of Condition 6.2 above and Condition 9:

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

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

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield (as specified in the applicable Pricing Supplement) expressed as a decimal; and

**y** is the Day Count Fraction specified in the applicable Pricing Supplement 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).

## **6.6 Purchases**

The Issuer may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining 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.

## **6.7 Cancellation**

All Notes which are redeemed 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 any Notes purchased and cancelled pursuant to Condition 6.6 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

## **6.8 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 Conditions 6.1, 6.2, 6.3 or 6.4 above or upon its becoming due and repayable as provided in Condition 9 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 6.5(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (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 Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## **7. TAXATION**

### **7.1 Taxation**

All payments of principal and interest in respect of the Notes and Coupons 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 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 shall equal the respective amounts of principal and interest which 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 with respect to any Note or Coupon:

- (a) on account of New Zealand resident withholding tax;
- (b) presented for payment in a Tax Jurisdiction;
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5.7);
- (d) on account of any tax, assessment or other governmental charge that would not have been imposed in respect of such Note or Coupon but for the existence of any present or former connection (other than a connection arising solely from the ownership of such Notes or Coupons or the receipt of payments in respect of those Notes or Coupons) between the Noteholder (or the beneficial owner for whose benefit such Noteholder holds such Note) and New Zealand, including that Noteholder or beneficial owner:
  - (i) being or having been a citizen or resident or treated as a resident of New Zealand or being or having been engaged in trade or business or present in New Zealand or having had a fixed establishment (as defined for New Zealand tax purposes) in New Zealand;
  - (ii) having an interest in such Note jointly with a resident of New Zealand;
  - (iii) being associated (as defined for New Zealand tax purposes) with the Issuer, or a person who otherwise holds a Note as related-party debt (as defined for New Zealand tax purposes);
- (e) on account of any tax, assessment or other governmental charge which would not have been imposed in respect of such Note or Coupon but for the failure of a beneficial owner or any holder of such Note or Coupon to comply with any requirement or request to satisfy certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connections with New Zealand of the beneficial owner or any holder of the Note that such beneficial owner or holder is legally able to deliver (including, but not limited to, any documentation requirement under an applicable tax treaty); or
- (f) any combination of the above,

and nor will the Issuer pay any additional amounts to any Noteholders who is a fiduciary or partnership to the extent that a beneficiary or settlor with respect to that fiduciary or a member of that partnership or a beneficial owner thereof would not have been entitled to the payment of those additional amounts had that beneficiary, settlor, member or beneficial owner been the beneficial owner of those Notes.

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 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.

As used herein:

- (i) **Tax Jurisdiction** means New Zealand or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which payments made by the Issuer of principal and interest on the Notes become generally subject; 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 Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## 7.2 New Zealand Owners

Any Noteholder, Couponholder or beneficial owner of a Note or Coupon who is:

- (a) a resident of New Zealand for New Zealand tax purposes;
- (b) a registered bank (as defined for New Zealand tax purposes) that is engaged in business in New Zealand through a fixed establishment (as defined for New Zealand tax purposes) in New Zealand and is not an associated person of the Issuer; or
- (c) not resident in New Zealand for New Zealand tax purposes but holds the relevant Note or Coupon for the purposes of a business they carry on in New Zealand through a fixed establishment in New Zealand,

(a **New Zealand Owner**) must:

- (d) within either 21 days of acquiring a Note or Coupon or becoming the beneficial owner of a Note or Coupon or prior to the next occurring Interest Payment Date or Maturity Date in respect of that Note or Coupon (as applicable, and whichever is the earlier date) must:
  - (i) notify the Issuer and the Paying Agent:
    - (1) that the person is a New Zealand Owner in respect of that Note or Coupon, as applicable; and
    - (2) whether it derives interest under a Note or Coupon jointly with another person;
- (e) notify the Issuer and the Paying Agent of any circumstance, and provide the Issuer and the Paying Agent with its New Zealand tax file number and any information (including satisfactory evidence that it has RWT-exempt status (as defined for New Zealand tax purposes)), that may enable the Issuer to make the payment of interest to the New Zealand Owner without deduction on account of New Zealand withholding tax; and
- (f) if that New Zealand Owner's circumstances change, prior to the next occurring Interest Payment Date or Maturity Date in respect of that Note or Coupon (as applicable, and whichever is the earlier date) notify the Issuer and Paying Agent of those changes that could affect the Issuer's withholding, deduction or payment obligations in respect of that Note or Coupon.

### 7.3 Indemnity

7.4 By accepting payment of the full-face amount of any Note or any interest thereon or other amounts in respect thereof, including in respect of any Coupon, on any Interest Payment Date or the Maturity Date:

- (a) any New Zealand Owner agrees to indemnify the Issuer for all purposes in respect of any liability that the Issuer may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax; and
- (b) in the case of a Noteholder, Couponholder or beneficial owner of a Note or Coupon that is not a New Zealand Owner (**Non-New Zealand Owner**) and derives interest jointly with one or more persons and one or more of those persons is tax resident in New Zealand, such Non-New Zealand Owner agrees to indemnify the Issuer for all purposes in respect of any liability that the Issuer may incur for not deducting any amount from such payment on account of New Zealand non-resident withholding tax applicable to such Non-New Zealand Owner.

## 8. PRESCRIPTION

The Notes (whether in bearer or registered form) 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 7) 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 5.2 or any Talon which would be void pursuant to Condition 5.2.

## 9. EVENTS OF DEFAULT

### 9.1 Events of Default

Any of the following events shall, when occurred and be continuing, constitute an event of default (each an **Event of Default**):

- (a) if default is made in the payment of any principal due in respect of the Notes or any of them and the default continues for a period of 7 days;
- (b) if default is made in the payment of any interest due in respect of the Notes or any of them and the default continues for a period of 14 days; or
- (c) if the Issuer fails to perform or observe any of its other obligations under these Conditions and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days following the service by a Noteholder on the Issuer of notice requiring the same to be remedied; or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or if the Issuer ceases to carry on all or substantially all of its business, save for the purposes of reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by an Extraordinary Resolution; or
- (e) if (i) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager,



administrator or other similar official is appointed, in relation to the Issuer or in relation to all or substantially all of the undertaking or assets of the Issuer, or an encumbrancer takes possession of all or substantially all of the undertaking or assets of the Issuer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the undertaking or assets of the Issuer and (ii) in any case (other than the appointment of an administrator) is not discharged within 30 days; or

- (f) the Issuer is declared or becomes insolvent or is or is deemed under any applicable law to be unable to pay its debts when they fall due; or
- (g) any material provision of the Guarantee:
  - (i) ceases to have effect in whole or part, other than by performance or as permitted by its terms; or
  - (ii) becomes wholly or partly void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights) or the performance of any such provision becoming illegal; or
- (h) if any event or circumstance occurs in relation to the Issuer having an analogous effect under the laws of any applicable jurisdiction to the events or circumstances referred to in paragraphs (d), (e) or (f) above (to the extent applicable).

## **9.2 Consequences of an Event of Default**

If an Event of Default occurs then at any time thereafter, provided that event is continuing unremedied, a Noteholder may, without prejudice to any other remedies which that Noteholder may have:

- (a) where that Event of Default occurs under either Conditions 9.1(a), 9.1(b) or 9.1(c) in relation to a Note held by that Noteholder; or
- (b) where that Event of Default occurs under any other paragraph of Condition 9.1 and the Noteholders of the relevant Series resolve by Extraordinary Resolution to do so,

request the Security Trustee to make demand under the Guarantee and/or declare all (but not some only) of the Notes held by that Noteholder to be immediately due and payable by notice in writing to the Issuer at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

## **9.3 Notification**

If an Event of Default occurs (or, under Condition 9.1(c), an event which, after notice and lapse of time, would become an Event of Default), the Issuer must promptly after becoming aware of it notify the Principal Paying Agent of the occurrence of the event (specifying details of it) and use its reasonable endeavours to ensure that the Principal Paying Agent promptly notifies the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded of the occurrence of the event.

## **10. 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 Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the

Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## 11. 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 the applicable Pricing Supplement.

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 a Principal Paying Agent and a Registrar;
- (b) so long as the Notes are listed on the Singapore Exchange Securities Trading Limited (the **SGX-ST**) and the rules of the SGX-ST so require, if the Notes are issued in definitive form or if any Global Note is exchanged for Notes in definitive form, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in Singapore;
- (c) so long as the Notes are listed on any stock exchange or admitted to listing by any relevant authority other than the SGX-ST, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) 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

there will at all times be a Paying Agent in a jurisdiction within Europe.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5.5. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 13.

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.

## 12. 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 appertains) a further Talon, subject to the provisions of Condition 8.

## 13. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given (a) if published in a leading English language daily newspaper of general circulation in London and (b) if and for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, published in a leading English newspaper having general circulation in Singapore. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and the *Business Times* in Singapore. 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 Bearer Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. 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.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

Additionally, in the case where the Notes are listed on the SGX-ST, notices to the holders of such Notes shall also be valid if made by way of an announcement on the SGX-ST. Any such notice shall be deemed to have been given to the Noteholders on the date on which the said notice was uploaded as an announcement on the SGX-ST.

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, be substituted for such publication in such newspaper(s) or such websites or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream 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 and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream.

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 Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, as the case may be, may approve for this purpose.

#### **14. MEETINGS OF NOTEHOLDERS AND MODIFICATION**

The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. 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 a clear majority 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 (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, altering the currency of payment of

the Notes or the Coupons or amending the Deed of Covenant in certain respects), 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. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Principal Paying Agent) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution, and on all Couponholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification 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 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; or
- (c) any modification of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement as may be required in order to give effect to:
  - (i) any Benchmark Amendments as provided in Condition 4.2(c); or
  - (ii) sub-paragraph (iii)(1) or (iii)(2) of the definition of “SARON” or the last paragraph of the definition of “SARON” in connection with effecting the implementation of any SARON Recommended Replacement Rate or the SNB Policy Rate, subject to the provisions set out in Condition 4.2(b)(x).

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 13 as soon as practicable thereafter.

## **15. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the 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.

## **16. 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.

## **17. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **17.1 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 governed by, and construed in accordance with, English law.

The Security Trust Deed and the Guarantee are governed by, and shall be construed in accordance with, New Zealand law.

### **17.2 Submission to jurisdiction**

- (a) Subject to Condition 17.2(c) below, 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 17.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **17.3 Appointment of Process Agent**

The Issuer irrevocably appoints Law Debenture Corporate Services Limited at 8th Floor, 100 Bishopsgate, London EC2N 4AG, United Kingdom (the **Process Agent**) 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 the Process Agent 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.

### **17.4 No Crown guarantee**

Each Noteholder acknowledges that the obligations and liabilities of the Issuer under the Notes are not guaranteed by the New Zealand Crown.

**SCHEDULE 3**  
**FORM OF DEED OF COVENANT**

**DEED OF COVENANT**

**DATED 22 JANUARY 2025**

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**

**relating to the**

**U.S.\$10,000,000,000**  
**Euro Medium Term Note Programme**  
**(the Programme)**

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**THIS DEED OF COVENANT** is made on 22 January 2025 by **NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED** (the **Issuer**) in favour of the account holders or participants specified below of Clearstream Banking S.A. (**Clearstream**), Euroclear Bank SA/NV (**Euroclear**) and/or any other additional clearing system or systems as is specified in Part B of the Pricing Supplement relating to any Note (as defined below) (each a **Clearing System**).

**WHEREAS:**

- (A) The Issuer has entered into a Programme Agreement (the **Programme Agreement**, which expression includes the same as it may be amended, supplemented, novated or restated from time to time) dated 22 January 2025 with the Arranger and the Dealers named in it under which the Issuer proposes from time to time to issue Notes (as defined below).
- (B) The Issuer has also entered into an Agency Agreement (the **Agency Agreement**, which expression includes the same as it may be amended, supplemented, novated or restated from time to time) dated 22 January 2025 between, *inter alia*, the Issuer and Deutsche Bank AG, Hong Kong Branch (the **Principal Paying Agent**).
- (C) Certain of the Notes will initially be represented by, and comprised in, Global Notes (as defined in the Agency Agreement), in each case representing a certain number of underlying Notes (the **Underlying Notes**).
- (D) Each Global Note may, on issue, be deposited with a depository for one or more Clearing Systems (together, the **Relevant Clearing System**). Upon any deposit of a Global Note the Underlying Notes represented by the Global Note will be credited to a securities account or securities accounts with the Relevant Clearing System. Any account holder with the Relevant Clearing System which has Underlying Notes credited to its securities account from time to time (other than any Relevant Clearing System which is an account holder of any other Relevant Clearing System) (each a **Relevant Account Holder**) will, subject to and in accordance with the terms and conditions and operating procedures or management regulations of the Relevant Clearing System, be entitled to transfer the Underlying Notes and (subject to and upon payment being made by the Issuer to the bearer in accordance with the terms of the relevant Global Note) will be entitled to receive payments from the Relevant Clearing System calculated by reference to the Underlying Notes credited to its securities account.
- (E) The Issuer has established a programme under which it may, from time to time, issue medium term notes (the **Programme**). Each issue of Notes may be represented initially by a global note (each a **Global Note**) which will be exchangeable for notes in definitive form (**Definitive Notes**) in the circumstances specified in the relevant Global Note.
- (F) The Issuer wishes to make arrangements for the protection of the interests of Relevant Account Holders in the event that the relevant Global Note becomes void in accordance with its terms.

**NOW THIS DEED WITNESSES** as follows:

**1. INTERPRETATION**

1.1 In this Deed:

**Agent** means Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong with its principal place of business in Hong Kong at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong (also known as **Deutsche Bank AG, Hong Kong Branch**) acting as



principal paying agent, registrar and transfer agent for the Notes and any successor or additional agent appointed in accordance with the Agency Agreement;

**Debt** means the debt evidenced by the relevant Global Note or any interest therein;

**Direct Rights** means the rights referred to in Clause 2.1;

**Note** means any promissory note from time to time issued by the Issuer in accordance with the provisions of the Agency Agreement, between the Issuer, the Agent and the other agents named therein, as may be amended or supplemented from time to time;

**Offering Circular** means the then latest offering circular issued by the Issuer in connection with the Programme; and

**Relevant Date** means the date on which the bearer of the relevant Global Note becomes entitled to exchange the Global Note for Definitive Notes in accordance with the terms of such Global Note.

- 1.2 Any reference in this Deed to a Clause is, unless otherwise stated, to a clause hereof.
- 1.3 Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed.
- 1.4 Any Notes issued under the Programme on or after the date of this Deed of Covenant shall have the benefit of this Deed of Covenant but shall not have the benefit of any subsequent deed of covenant relating to the Programme (unless expressly so provided in any such subsequent deed).

## **2. DIRECT RIGHTS**

- 2.1 If circumstances arise that would give the bearer of any Global Note the right to exchange that Global Note for Definitive Notes in accordance with the terms of such Global Note, each Relevant Account Holder shall have against the Issuer all rights in respect of the Debt (**Direct Rights**) which such Relevant Account Holder would have had under the Notes if, immediately before the Relevant Date, it had been the holder of Definitive Notes, duly executed, authenticated and issued in respect of each Underlying Note including (without limitation) the right to receive all payments due at any time in respect of such Definitive Notes as if such Definitive Notes had been duly presented and (in the case of final redemption of a Definitive Note) surrendered on the due date in accordance with the terms of such Note, provided that such Direct Rights shall cease to exist if the Issuer makes payment of the full amount due under the Debt or any interest due thereon to the bearer of the Global Note in accordance with the terms thereof.
- 2.2 No further action shall be required on the part of the Issuer or any other person for the Relevant Account Holders to enjoy the Direct Rights or for each Relevant Account Holder to have the benefit of the terms and conditions of the Notes represented by the Global Note as if they had been incorporated *mutatis mutandis* into this Deed provided that nothing herein shall entitle any Relevant Account Holder to receive any payment in respect of the relevant Global Note which has already been made.
- 2.3 There shall be treated as incorporated into this Deed and with respect to the Direct Rights and any sums payable in relation thereto, all those provisions of the Notes represented by the relevant Global Note (immediately before it became void) relating to the amount of any sum payable by the Issuer or the time and manner in which any such amount should be paid (including, without limitation, any grossing-up provision in any Global Note) but as if references in such provisions to (a) any Note or to any principal of, or other amount payable on, any Note were references to the Direct Rights or to sums

payable with respect to the Direct Rights and (b) any holder of any Note were references to the applicable Relevant Account Holder.

### **3. EVIDENCE**

3.1 The records of the Relevant Clearing System as at the opening of business on the Relevant Date shall be conclusive as to the identity of the Relevant Account Holders and the Underlying Notes credited to their securities accounts and a statement issued by a Relevant Clearing System setting out:

- (a) the name of the Relevant Account Holder in respect of which it is issued; and
- (b) the aggregate nominal amount of Underlying Notes credited to the securities account of such Relevant Account Holder with such Relevant Clearing System on any date,

shall, in the absence of manifest error, be conclusive evidence for all purposes of this Deed.

3.2 If a Relevant Clearing System determines the Relevant Date, such determination shall be binding on all Relevant Account Holders with such Relevant Clearing System.

### **4. DEPOSIT OF DEED**

This Deed shall be deposited with and held by the Agent until the date on which all the obligations of the Issuer under or in respect of the Notes (including, without limitation, its obligations under this Deed) have been discharged in full and no further Notes may be issued under the Agency Agreement. The Issuer hereby acknowledges the right of every Relevant Account Holder to the production of this Deed.

### **5. COVENANTS**

The Issuer hereby warrants, represents and covenants with each Relevant Account Holder that it has all corporate power, and has taken all necessary corporate or other steps, to enable it to execute, deliver and perform this Deed, and that this Deed constitutes a legal, valid and binding obligation enforceable in accordance with its terms, subject to mandatory provisions of applicable law and creditors rights generally.

### **6. STAMP DUTIES**

The Issuer shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable upon or in connection with the execution and delivery of this Deed, and shall indemnify each Relevant Account Holder against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, properly incurred legal fees and any applicable value added tax) which it may incur as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

### **7. BENEFIT OF DEED**

7.1 This Deed shall take effect as a deed poll for the benefit of the Relevant Account Holders from time to time.

7.2 This Deed shall enure to the benefit of each Relevant Account Holder and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed against the Issuer.

7.3 The Issuer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Relevant Account Holder shall be entitled to assign all or any of its rights and benefits hereunder.

## **8. GUARANTEE**

The Issuer's payment obligations in relation to (among other things) this Deed are guaranteed by the Local Authorities that are from time to time Guarantors under the Guarantee (each such term as defined in the Offering Circular relating to the Programme).

## **9. PARTIAL INVALIDITY**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

## **10. NOTICES**

10.1 All notices and other communications hereunder shall be made in writing and in English (by letter or email) and shall be sent to the Issuer at:

New Zealand Local Government Funding Agency Limited  
City Chambers  
Level 11, 142 Featherston Street  
Wellington 6011  
New Zealand

Email: LGFAtreasuryoperations@lgfa.co.nz  
Attention: Operations Manager

or to such other address or email address or for the attention of such other person or department as the Issuer has notified to the Relevant Account Holders.

10.2 Any communication sent in accordance with Clause 10.1 shall be effective as follows:

- (a) Any communication by letter shall be made to the intended recipient and marked for the attention of the person, or any one of them, at its relevant address and shall be deemed to have been made upon delivery, subject to Clause 10.3.
- (b) Any communication by email shall be made to the intended recipient at the relevant email address from time to time designated by that party and shall be deemed to have been received when the email communication has been received by the intended recipient in legible form at the correct email address, subject to Clause 10.3.

10.3 A communication given under this Deed but received on a non-Business Day or after business hours in the place of receipt will only be deemed to be given on the next Business Day in that place.

## **11. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any provision of this Deed 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.

## **12. GOVERNING LAW AND JURISDICTION**

- 12.1 This Deed and any non-contractual obligations arising out of or in connection with this Deed shall be governed by, and construed in accordance with, English law. The Issuer irrevocably agrees for the benefit of each Relevant Account Holder that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed (including a dispute relating to any non-contractual obligations arising out of or in connection with this Deed) and that accordingly any suit, action or proceedings (together referred to as **Proceedings**) arising out of or in connection with this Deed (including any Proceedings relating to any non-contractual obligations arising out of or in connection with this Deed) may be brought in the courts of England.
- 12.2 The Issuer irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any Proceedings in the courts of England, irrevocably agrees that a final judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and irrevocably waives any objection to the enforcement of that judgment in the courts of any other jurisdiction. Nothing contained in this Clause 12.2 shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.
- 12.3 The Issuer irrevocably appoints Law Debenture Corporate Services Limited at 8th Floor, 100 Bishopsgate, London EC2N 4AG as its agent for service of process in any proceedings before the English courts in connection with this Deed. If any person appointed as process agent is unable for any reason to act as agent for service of process, the Issuer must immediately appoint another agent. The Issuer agrees that failure by an Issuer agent to notify it of any process will not invalidate the relevant proceedings. This Clause 12.3 does not affect any other method of service allowed by law.
- 12.4 The Issuer irrevocably and unconditionally, agrees not to claim any immunity from proceedings brought by any Relevant Account Holder against it in relation to this Deed and to ensure that no such claim is made on its behalf, consents generally to the giving of any relief or the issue of any process in connection with those proceedings, and waives all rights of immunity in respect of it or its assets.
- 12.5 This Clause 12 does not affect any other method of service allowed by law.

## **13. NO CROWN GUARANTEE**

Each holder of Notes acknowledges that the obligations and liabilities of the Issuer under the Notes and this Deed are not guaranteed by the New Zealand Crown.

**SIGNATORIES**

**IN WITNESS WHEREOF** the Issuer has caused this Deed of Covenant to be executed and delivered on the day and year first above mentioned.

**EXECUTED as a DEED by** )  
 )  
**NEW ZEALAND LOCAL GOVERNMENT** )  
**FUNDING AGENCY LIMITED** )  
 )  
by two Directors )  
 )  
 )  
 )

**SCHEDULE 4**

**FORM OF PUT NOTICE  
for Notes in definitive form**

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**  
*[title of relevant Series of Notes]*

By depositing this duly completed Notice with the Registrar (in the case of Registered Notes) or any Paying Agent (in the case of Bearer Notes) for the above Series of Notes (the **Notes**) the undersigned holder of the Notes surrendered with this Notice and referred to below irrevocably exercises its option to have [the full/.....] <sup>(1)</sup> nominal amount of the Notes redeemed in accordance with Condition 6.4 (*Redemption and Purchase – Redemption at the Option of the Noteholders (Investor Put)*) on [redemption date].

This Notice relates to Notes in the aggregate nominal amount of ..... bearing the following serial numbers:  
.....

If the Notes or a new Registered Note in respect of the balance of the Notes referred to above are to be returned or delivered (as the case may be) <sup>(2)</sup> to the undersigned under subclause 12.4 of the Agency Agreement, they should be returned or delivered (as the case may be) by uninsured post to:  
.....

**Payment Instructions**

Please make payment in respect of the above-mentioned Notes by transfer to the following bank account <sup>(1)</sup>:

Bank: ..... Branch Address: .....

Branch Code: ..... Account Number: .....

Signature of holder: .....

*[To be completed by recipient Registrar/Paying Agent]*

Details of missing unmatured Coupons..... <sup>(3)</sup>

Received by: .....

*[Signature and stamp of Registrar/Paying Agent]*

At its office at: ..... On: .....

**NOTES:**

- (1) Complete as appropriate.
- (2) The Agency Agreement provides that Notes so returned or delivered (as the case may be) will be sent by post, uninsured and at the risk of the Noteholder, unless the Noteholder otherwise requests and pays the costs of such insurance to the Registrar or the relevant Paying Agent at the time of depositing the Note referred to above.
- (3) Only relevant for Bearer Fixed Rate Notes (which are not also Long Maturity Notes) in definitive form.

**N.B. The Registrar or, as the case may be, the Paying Agent with whom the above-mentioned Notes are deposited will not in any circumstances be liable to the depositing Noteholder or any other person for any loss or damage arising from any act, default or omission of such Registrar or Paying Agent in relation to the said Notes or any of them**

**unless such loss or damage was caused by the fraud, wilful default or gross negligence of such Registrar or Paying Agent or its directors, officers or employees.**

This Put Notice is not valid unless all of the paragraphs requiring completion are duly completed. Once validly given this Put Notice is irrevocable except in the circumstances set out in subclause 12.4 of the Agency Agreement.

## SCHEDULE 5

### PROVISIONS FOR MEETINGS OF NOTEHOLDERS

#### 1. DEFINITIONS

As used in this Schedule, the following expressions have the following meanings unless the context otherwise requires:

**block voting instruction** means an English language document issued by a Paying Agent and dated:

- (a) which relates to a specified nominal amount of Notes and a meeting (or adjourned meeting) of the holders of the Series of which those Notes form part;
- (b) in which it is certified that on the date thereof Notes (whether in definitive form or represented by a Global Note) (not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) have been deposited with such Paying Agent or (to the satisfaction of such Paying Agent) are held to its order or under its control or are blocked in an account with a Clearing System and that no such Notes will cease to be so deposited or held or blocked until the first to occur of:
  - (i) the conclusion of the meeting specified in such Block Voting Instruction; and
  - (ii) the surrender to the Paying Agent, not less than 48 hours before the time for which such meeting is convened, of the receipt issued by such Paying Agent in respect of each such deposited Note which is to be released or (as the case may require) the Notes ceasing with the agreement of the Paying Agent to be held to its order or under its control or so blocked and the giving of notice by the Paying Agent to the Issuer in accordance with paragraph 3.4(c) of the necessary amendment to the Block Voting Instruction;
- (c) states that the Paying Agent has been instructed (either by the holders of the Notes or by a relevant clearing system) that the votes attributable to the Notes so deposited or held or blocked should be cast in accordance with the instructions given in relation to the resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment;
- (d) which identifies with regard to each resolution to be proposed at the meeting the nominal amount of Notes so deposited or held or blocked, distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable to them should be cast in favour of the resolution and those in respect of which instructions have been given that the votes attributable to them should be cast against the resolution; and
- (e) which states that one or more named persons (each a **proxy**) is or are authorised and instructed by the Paying Agent to cast the votes attributable to the Notes identified in accordance with the instructions referred to in (d) above as set out in the block voting instruction;

**Extraordinary Resolution** means;

- (a) a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions of this Schedule by a majority consisting of not less than three-fourths of the votes cast on such resolution by persons voting on the resolution upon a show of hands or,



if a poll was duly demanded, by a majority consisting of not less than three-fourths of the votes given on the poll;

- (b) a resolution in writing signed by or on behalf of holders of not less than three-fourths in the nominal amount of the Notes outstanding, which resolution in writing may be contained in one document or in several documents in similar form each signed by or on behalf of one or more of the Noteholders; or
- (c) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Principal Paying Agent) by or on behalf of all the Noteholders/the holders of not less than three-fourths of the votes cast on such resolution;

a **relevant clearing system** means, in respect of any Notes, any clearing system on behalf of which such Note is held or which is the bearer or (directly or through a nominee) registered owner of a Note, in each case whether alone or jointly with any other clearing system(s);

**meeting** is deemed to include:

- (a) the presence of persons physically; and
- (b) the presence of persons at one or more venues using any technology that gives Noteholders as a whole a reasonable opportunity to participate, including, without limitation, by conference telephone call, video conference or any electronic, online or virtual platform;

**voting certificate** means an English language certificate issued by a Paying Agent and dated in which it is stated:

- (a) that on the date thereof Notes (whether in definitive form or represented by a Global Note) (not being Notes in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) were deposited with such Paying Agent or (to the satisfaction of such Paying Agent) are held to its order or under its control or are blocked in an account with a Clearing System and that no such Notes will cease to be so deposited or held or blocked until the first occur of:
  - (i) the conclusion of the meeting specified in such Voting Certificate; and
  - (ii) the surrender of the Voting Certificate to the Paying Agent who issued the same; and
- (b) that the bearer of the voting certificate is entitled to attend and vote at the meeting and any adjourned meeting in respect of the Notes represented by the certificate;

**24 hours** means a period of 24 hours including all or part of a day on which banks are open for business both in the place where the meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day on which the meeting is to be held) and that period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included all or part of a day on which banks are open for business in all of the places where the Paying Agents have their specified offices; and

**48 hours** means a period of 48 hours including all or part of two days on which banks are open for business both in the place where the meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day on which the meeting is to be held) and that period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included all or part of two days on which banks are open for business in all of the places where the Paying Agents have their specified offices.

References in this Schedule to the **Notes** are to the Series of Notes in respect of which the meeting is, or is proposed to be, convened.

For the purposes of calculating a period of **clear days**, no account shall be taken of the day on which a period commences or the day on which a period ends.

## **2. EVIDENCE OF ENTITLEMENT TO ATTEND AND VOTE**

2.1 The following persons (each an **Eligible Person**) are entitled to attend and vote at a meeting of the holders of Notes:

- (a) a holder of any Notes in definitive form which is not held in an account with any clearing system;
- (b) a bearer of any voting certificate in respect of the Notes; and
- (c) a proxy specified in any block voting instruction.

A Noteholder may require the issue by any Paying Agent of voting certificates and block voting instructions in accordance with the terms of subclauses 3.1 to 3.4 below.

For the purposes of subclauses 3.1 and 3.4 below, the Principal Paying Agent or the Registrar, as the case may be, shall be entitled to rely, without further enquiry, on any information or instructions received from a relevant clearing system and shall have no liability to any Noteholder or other person for any loss, damage, cost, claim or other liability caused by its reliance on those instructions, nor for any failure by a relevant clearing system to deliver information or instructions to the Principal Paying Agent.

The holder of any voting certificate or the proxies named in any block voting instruction shall for all purposes in connection with the meeting or adjourned meeting be deemed to be the holder of the Notes to which the voting certificate or block voting instruction relates and the Paying Agent with which the Notes have been deposited or the person holding the Notes to the order or under the control of any Paying Agent shall be deemed for those purposes not to be the holder of those Notes.

## **3. PROCEDURE FOR ISSUE OF VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS**

### **3.1 Definitive Notes not held in a Clearing System - voting certificate**

A holder of a Note in definitive form may obtain a voting certificate in respect of that Note from a Paying Agent (unless the Note is the subject of a block voting instruction which has been issued and is outstanding in respect of the meeting specified in the voting certificate or any adjourned meeting) subject to the holder procuring that the Note is deposited with the Paying Agent or (to the satisfaction of the Paying Agent) is held to its order or under its control upon terms that the Note will not cease to be deposited or held until the first to occur of:

- (a) the conclusion of the meeting specified in the voting certificate or, if later, of any adjourned meeting; and
- (b) the surrender of the voting certificate to the Paying Agent who issued it.

### **3.2 Global Notes and definitive Notes held in a relevant clearing system - voting certificate**

A holder of a Note (not being a Note in respect of which instructions have been given to the Principal Paying Agent in accordance with subclause 3.4) represented by a Global Note or which is in definitive form and is held in an account with any relevant clearing system may procure the delivery of a voting certificate in respect of that Note by giving notice to the relevant clearing system specifying by name a person (an **Identified Person**) (which need not be the holder) to collect the voting certificate and attend and vote at the meeting. The voting certificate will be made available at or shortly before the start of the meeting by the Principal Paying Agent against presentation by the Identified Person of the form of identification previously notified by the holder to the relevant clearing system. The relevant clearing system may prescribe forms of identification (including, without limitation, passports) which it considers appropriate for these purposes. Subject to receipt by the Principal Paying Agent from the relevant clearing system, no later than 24 hours before the time for which the meeting is convened, of notification of the nominal amount of the Notes to be represented by any voting certificate and the form of identification against presentation of which the voting certificate should be released, the Principal Paying Agent shall, without any obligation to make further enquiry, make available voting certificates against presentation of forms of identification corresponding to those notified.

### 3.3 **Definitive Notes not held in a Clearing System - block voting instruction**

A holder of a Note in definitive form may require a Paying Agent to issue a block voting instruction in respect of that Note (unless the Note is the subject of a voting certificate which has been issued and is outstanding in respect of the meeting specified in the block voting instruction or any adjourned meeting) by depositing the Note with the Paying Agent or (to the satisfaction of the Paying Agent) by:

- (a) procuring that, not less than 48 hours before the time fixed for the meeting, the Note is held to the Paying Agent's order or under its control, in each case on terms that the Note will not cease to be so deposited or held until the first to occur of:
  - (i) the conclusion of the meeting specified in the block voting instruction or, if later, of any adjourned meeting; and
  - (ii) the surrender to the Paying Agent, not less than 48 hours before the time for which the meeting or any adjourned meeting is convened, of the receipt issued by the Paying Agent in respect of each deposited Note which is to be released or (as the case may require) the Note ceasing with the agreement of the Paying Agent to be held to its order or under its control and the giving of notice by the Paying Agent to the Issuer in accordance with subclause 3.4 of the necessary amendment to the block voting instruction; and
- (b) instructing the Paying Agent that the vote(s) attributable to each Note so deposited or held should be cast in a particular way in relation to the resolution or resolutions to be put to the meeting or any adjourned meeting and that the instruction is, during the period commencing 48 hours before the time for which the meeting or any adjourned meeting is convened and ending at the conclusion or adjournment of the meeting, neither revocable nor capable of amendment.

### 3.4 **Global Notes and definitive Notes held in a relevant clearing system - block voting instruction**

- (a) A holder of a Note (not being a Note in respect of which a voting certificate has been issued) represented by a Global Note or which is in definitive form and is held in an account with any relevant clearing system may require the Principal Paying Agent to issue a block voting instruction in respect of the Note by first instructing the relevant clearing system to procure that the votes attributable to the holder's Note should be cast at the meeting in a particular way in relation to the resolution or resolutions to be put to the meeting. Any such instruction shall be given in accordance with the rules of the relevant clearing system then in effect. Subject to receipt by the Principal Paying Agent, no

later than 24 hours before the time for which the meeting is convened, of (i) instructions from the relevant clearing system, (ii) notification of the nominal amount of the Notes in respect of which instructions have been given and (iii) the manner in which the votes attributable to the Notes should be cast, the Principal Paying Agent shall, without any obligation to make further enquiry, attend the meeting and cast votes in accordance with those instructions.

- (b) Each block voting instruction shall be deposited by the relevant Paying Agent at the place specified by the Principal Paying Agent for the purpose not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the proxies named in the block voting instruction propose to vote, and in default the block voting instruction shall not be treated as valid unless the Chair of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business. A copy of each block voting instruction shall (if so requested by the Issuer) be deposited with the Issuer before the start of the meeting or adjourned meeting but the Issuer shall not as a result be obliged to investigate or be concerned with the validity of or the authority of the proxies named in the block voting instruction.
- (c) Any vote given in accordance with the terms of a block voting instruction shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or of any of the instructions of the relevant Noteholder or the relevant clearing system (as the case may be) pursuant to which it was executed provided that no indication in writing of any revocation or amendment has been received from the relevant Paying Agent by the Issuer at its registered office by the time being 24 hours before the time appointed for holding the meeting or adjourned meeting at which the block voting instruction is to be used.

#### **4. CONVENING OF MEETINGS, QUORUM, ADJOURNED MEETINGS**

- 4.1 The Issuer may at any time and, if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being outstanding, shall convene a meeting of the Noteholders and if the Issuer fails for a period of seven days to convene the meeting the meeting may be convened by the relevant Noteholders. Whenever the Issuer is about to convene any meeting it shall immediately give notice in writing to the Principal Paying Agent of the day, time and place of the meeting (which need not be a physical place and instead may be by way of conference call, including by use of a videoconference platform) and of the nature of the business to be transacted at the meeting.
- 4.2 At least 21 clear days' notice specifying the place, day and hour of the meeting shall be given to the Noteholders in the manner provided in Condition 13 (*Notices*). The notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting and, in the case of an Extraordinary Resolution only, shall either (i) specify the terms of the Extraordinary Resolution to be proposed or (ii) state fully the effect on the holders of such Extraordinary Resolution, if passed. The notice shall include statements as to the manner in which Noteholders may arrange for voting certificates or block voting instructions to be issued and, if applicable, appoint proxies or representatives. A copy of the notice shall be sent by post to the Issuer (unless the meeting is convened by the Issuer).
- 4.3 The person (who may but need not be a Noteholder) nominated in writing by the Issuer shall be entitled to take the chair at each meeting but if no nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for holding the meeting the Noteholders present shall choose one of their number to be Chair failing which the Issuer may appoint a Chair. The Chair of an adjourned meeting need not be the same person as was Chair of the meeting from which the adjournment took place.
- 4.4 At any meeting one or more Eligible Persons present and holding or representing in the aggregate not less than five per cent. in nominal amount of the Notes for the time being outstanding shall (except for

the purpose of passing an Extraordinary Resolution) form a quorum for the transaction of business and no business (other than the choosing of a Chair) shall be transacted at any meeting unless the required quorum is present at the commencement of business. The quorum at any meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more Eligible Persons holding or representing a clear majority in nominal amount of the Notes of that Series for the time being outstanding or, at any adjourned meeting, one or more persons being or representing the holders of the Notes of that Series whatever the nominal amount of Notes of that Series so held or represented provided that at any meeting the business of which includes any of the following matters (**Basic Terms Modifications**, each of which shall only be capable of being effected after having been approved by Extraordinary Resolution):

- (a) modification of the Maturity Date of the Notes or reduction or cancellation of the nominal amount payable at maturity; or
- (b) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the Notes or variation of the method of calculating the rate of interest in respect of the Notes; or
- (c) reduction of any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Pricing Supplement; or
- (d) modification of the currency in which payments under the Notes are to be made; or
- (e) modification of the Deed of Covenant; or
- (f) modification of the majority required to pass an Extraordinary Resolution; or
- (g) the sanctioning of any scheme or proposal described in subclause 5.9(f); or
- (h) alteration of this proviso or the proviso to subclause 4.5 below,

the quorum shall be one or more Eligible Persons holding or representing not less than two-thirds in nominal amount of Notes of this Series for the time being outstanding.

4.5 If within 15 minutes (or such longer period not exceeding 30 minutes as the Chair may decide) after the time appointed for any meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened by Noteholders be dissolved. In any other case it shall be adjourned for a period being not less than 14 clear days nor more than 42 clear days and at a place appointed by the Chair). If within 15 minutes (or a longer period not exceeding 30 minutes as the Chair may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chair may either dissolve the meeting or adjourn it for a period, being not less than 14 clear days (but without any maximum number of clear days) and to a place as may be appointed by the Chair (either at or after the adjourned meeting), and the provisions of this sentence shall apply to all further adjourned meetings.

4.6 At any adjourned meeting one or more Eligible Persons present (whatever the nominal amount of the Notes so held or represented by them) shall (subject as provided below) form a quorum and shall (subject as provided below) have power to pass any Extraordinary Resolution or other resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the required quorum been present provided that at any adjourned meeting the business of which includes any of the Basic Terms Modifications specified in the proviso to

subclause 4.4 the quorum shall be one or more Eligible Persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding.

- 4.7 Notice of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in subclause 4.2 and the notice shall state the relevant quorum.

## 5. CONDUCT OF BUSINESS AT MEETINGS

- 5.1 Every question submitted to a meeting shall be decided in the first instance by a show of hands. A poll may be demanded (before or on the declaration of the result of the show of hands) by the Chair, the Issuer or any Eligible Person (whatever the amount of the Notes so held or represented by them). In the case of an equality of votes the Chair shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which they may be entitled as an Eligible Person.
- 5.2 At any meeting, unless a poll is duly demanded, a declaration by the Chair that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 5.3 Subject to subclause 5.5, if at any meeting a poll is demanded it shall be taken in the manner and, subject as provided below, either at once or after an adjournment as the Chair may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.
- 5.4 The Chair may, with the consent of (and shall if directed by) the participants of any meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.
- 5.5 Any poll demanded at any meeting on the election of a Chair or on any question of adjournment shall be taken at the meeting without adjournment.
- 5.6 Any director or officer of the Issuer and its lawyers and financial advisers and any director or officer of any of the Paying Agents may attend and speak at any meeting. Subject to this, but without prejudice to the proviso to the definition of **outstanding** in subclause 1.1 of this Agreement, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of the Noteholders or join with others in requiring the convening of a meeting unless they are an Eligible Person. No person shall be entitled to vote at any meeting in respect of Notes which are deemed not to be outstanding by virtue of the proviso to the definition of "outstanding" in Clause 1. Nothing contained in this paragraph shall prevent any of the proxies named in any block voting instruction from being a director, officer or representative of or otherwise connected with the Issuer.
- 5.7 Subject as provided in subclause 5.6, at any meeting:
- (a) on a show of hands every Eligible Person present shall have one vote; and
  - (b) on a poll every Eligible Person present shall have one vote in respect of:
    - (i) each U.S.\$1.00 in respect of their holdings; and

- (ii) in the case of a meeting of the holders of Notes denominated in a currency other than U.S. dollars, the equivalent of U.S.\$1.00 in that currency (calculated as specified in subclauses 5.13(a) and 5.13(b)).

Without prejudice to the obligations of the proxies named in any block voting instruction any person entitled to more than one vote need not use all their votes or cast all the votes to which they are entitled in the same way.

- 5.8 The proxies named in any block voting instruction need not be Noteholders.
- 5.9 A meeting of the Noteholders shall in addition to the powers set out above have the following powers exercisable only by Extraordinary Resolution (subject to the provisions relating to quorum contained in subclauses 4.4 and 4.6), namely:
  - (a) power to approve any compromise or arrangement proposed to be made between the Issuer and the Noteholders and Couponholders or any of them;
  - (b) power to approve any abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders and Couponholders against the Issuer or against any of its property whether these rights arise under this Agreement, the Notes or the Coupons or otherwise and whether or not involving a reduction or cancellation of all or part of the principal, interest or other amounts payable in respect of the Notes or an extinguishment of some or all of the rights of the Noteholders in respect of the Notes;
  - (c) power to agree to any modification of the provisions contained in this Agreement or the Conditions, the Notes, the Coupons or the Deed of Covenant which is proposed by the Issuer;
  - (d) power to give any authority or approval which under the provisions of this Schedule or the Notes is required to be given by Extraordinary Resolution;
  - (e) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon any committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
  - (f) power to approve any scheme or proposal for the exchange or sale of the Notes for, or the conversion of the Notes into, or the cancellation of the Notes in consideration of, shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as stated above and partly for or into or in consideration of cash;
  - (g) power to approve the substitution of any entity in place of the Issuer (or any previous substitute) as the principal debtor in respect of the Notes and the Coupons; and
  - (h) power to request the Security Trustee to make a demand under the Guarantee following the occurrence of an Event of Default under Condition 9.1 pursuant to Condition 9.2(b).
- 5.10 Any resolution (including an Extraordinary Resolution) (i) passed at a meeting of the Noteholders duly convened and held (ii) passed as a resolution in writing or (iii) passed by way of electronic consents given by Noteholders through the relevant clearing system(s), in accordance with the provisions of this Schedule, shall be binding upon all the Noteholders whether present or not present at the meeting referred to in (i) above and whether or not voting (including when passed as a resolution in writing or

by way of electronic consent) and upon all Couponholders and each of them shall be bound to give effect to the resolution accordingly and the passing of any resolution shall be conclusive evidence that the circumstances justify its passing. Notice of the result of voting on any resolution duly considered by the Noteholders shall be published in accordance with Condition 13 (*Notices*) by the Issuer within 14 days of the result being known provided that non-publication shall not invalidate the resolution.

- 5.11 Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any minutes signed by the Chair of the meeting at which any resolution was passed or proceedings had shall be conclusive evidence of the matters contained in them and, until the contrary is proved, every meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings had at the meeting to have been duly passed or had.
- 5.12 Subject to all other provisions contained in this Schedule the Issuer may without the consent of the Paying Agents, the Noteholders or the Couponholders prescribe any other regulations regarding the calling and/or the holding of meetings of Noteholders and attendance and voting at them as the Issuer may in its sole discretion think fit (including, without limitation, (i) the substitution for periods of 24 hours and 48 hours referred to in this Schedule of shorter periods and (ii) the holding of meetings by conference call, including by use of a videoconference platform in circumstances where it may be impractical or inadvisable to hold physical meetings). Any regulations prescribed by the Issuer shall reflect the practices and facilities of any relevant clearing system. Notice of any other regulations may be given to Noteholders in accordance with Condition 13 (*Notices*) and/or at the time of service of any notice convening a meeting.
- 5.13 If the Issuer has issued and has outstanding Notes which are not denominated in U.S. dollars, the nominal amount of such Notes shall:
- (a) for the purposes of subclause 4.1 above, be the equivalent in U.S. dollars at the spot rate of a bank nominated by the Principal Paying Agent for the conversion of the relevant currency or currencies into U.S. dollars on the seventh dealing day before the day on which the written requirement to call the meeting is received by the Issuer; and
  - (b) for the purposes of subclauses 4.4, 4.6 and 5.7 above (whether in respect of the meeting or any adjourned meeting or any poll), be the equivalent at that spot rate on the seventh dealing day before the day of the meeting,

and, in all cases, the equivalent in U.S. dollars of Zero Coupon Notes or any other Notes issued at a discount or a premium shall be calculated by reference to the original nominal amount of those Notes.

In the circumstances set out above, on any poll each person present shall have one vote for each U.S.\$1.00 in nominal amount of the Notes (converted as above) which they hold or represent.



## SCHEDULE 6

### FORMS OF GLOBAL AND DEFINITIVE NOTES, COUPONS AND TALONS

#### PART 1

##### FORM OF TEMPORARY BEARER GLOBAL NOTE

##### NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED

**U.S.\$10,000,000,000**

**Euro Medium Term Note Programme  
guaranteed by**

**the Local Authorities (as defined in the Local Government Act 2002 of New Zealand) that are from time to time guarantors under the deed of guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time)**

ISIN: \_\_\_\_\_

Common Code: \_\_\_\_\_

##### TEMPORARY BEARER GLOBAL NOTE

This Global Note is a Temporary Bearer Global Note in respect of a duly authorised issue of Notes (the **Notes**) of New Zealand Local Government Funding Agency Limited (the **Issuer**) described, and having the provisions specified, in Part A of the attached Pricing Supplement (the **Pricing Supplement**). References in this Global Note to the Conditions shall be to the Terms and Conditions of the Notes as set out in Schedule 2 to the Agency Agreement (as defined below) as completed by the information set out in the Pricing Supplement which may modify and supplement such Terms and Conditions, but in the event of any conflict between the provisions of (a) that Schedule or (b) this Global Note and the information set out in the Pricing Supplement, the Pricing Supplement will prevail.

Words and expressions defined or set out in the Conditions and/or the Pricing Supplement shall have the same meaning when used in this Global Note.

This Global Note is issued subject to, and with the benefit of, the Conditions and an Agency Agreement (the **Agency Agreement**, which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 22 January 2025 and made between the Issuer, Deutsche Bank AG, Hong Kong Branch (the **Principal Paying Agent**) and the other agents named in it.

The Issuer's obligations in relation to (among other things) this Global Note are guaranteed by the Local Authorities that are from time to time Guarantors under the Guarantee (each such term as defined in the Offering Circular dated 22 January 2025 in relation to the Notes (as may be amended and/or supplemented and/or updated from time to time, the **Offering Circular**)). If default is made in the payment of any amount payable in respect of this Global Note, a holder is entitled to request TEL Security Trustee (LGFA) Limited (in its capacity as Security Trustee (as defined in the Offering Circular)) to make a demand under the Guarantee.

For value received the Issuer, subject to and in accordance with the Conditions, promises to pay to the bearer of this Global Note on the Maturity Date and/or on such earlier date(s) as all or any of the Notes represented by this Global Note may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Notes represented by this Global Note on each such date and to pay interest (if any) on the nominal amount of the Notes from time to time represented by this Global Note

calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, upon presentation and, at maturity, surrender of this Global Note to or to the order of the Principal Paying Agent or any of the other paying agents located outside the United States (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Notes, but in each case subject to the requirements as to certification provided below.

The nominal amount of the Notes represented by this Global Note shall be the aggregate nominal amount stated in the Pricing Supplement or, if lower, the nominal amount most recently entered by or on behalf of the Issuer in the relevant column in Part 2 or 3 of Schedule One or in Schedule Two.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One and the relevant space in Schedule One recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption or purchase and cancellation, the nominal amount of the Notes represented by this Global Note shall be reduced by the nominal amount of the Notes so redeemed or purchased and cancelled.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

Prior to the Exchange Date (as defined below), all payments (if any) on this Global Note will only be made to the bearer hereof to the extent that there is presented to the Principal Paying Agent by Clearstream or Euroclear a certificate to the effect that it has received from or in respect of a person entitled to a particular nominal amount of the Notes (as shown by its records) a certificate of non-U.S. beneficial ownership in the form required by it. The bearer of this Global Note will not be entitled to receive any payment of interest due on or after the Exchange Date unless upon due certification exchange of this Global Note is improperly withheld or refused.

On or after the date (the **Exchange Date**) which is 40 days after the Issue Date, this Global Note may be exchanged in whole or in part (free of charge) for, as specified in the Pricing Supplement, either:

- (a) security printed Definitive Bearer Notes and (if applicable) Coupons and Talons in the form set out in Parts 4, 5 and 6 respectively of Schedule 6 to the Agency Agreement (on the basis that all the appropriate details have been included on the face of such Definitive Bearer Notes and (if applicable) Coupons and Talons and the Pricing Supplement (or the relevant provisions of the Pricing Supplement) have been endorsed on or attached to such Definitive Bearer Notes); or
- (b) a Permanent Bearer Global Note in or substantially in the form set out in Part 2 of Schedule 6 to the Agency Agreement (together with the Pricing Supplement attached to it),

in each case upon notice being given by Euroclear and/or Clearstream acting on the instructions of any holder of an interest in this Global Note.

If Definitive Bearer Notes and (if applicable) Coupons and/or Talons have already been issued in exchange for all the Notes represented for the time being by the Permanent Bearer Global Note, then this Global Note may only thereafter be exchanged for Definitive Bearer Notes and (if applicable) Coupons and/or Talons in accordance with the terms of this Global Note.

Presentation of this Global Note for exchange shall be made by the bearer hereof on any day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong at the office of the Principal Paying Agent specified above. The Issuer shall procure that the Definitive Bearer Notes or (as the case may be) the Permanent Bearer Global Note shall be so issued and delivered in exchange for only that portion of

this Global Note in respect of which there shall have been presented to the Principal Paying Agent by Euroclear or Clearstream a certificate to the effect that it has received from or in respect of a person entitled to a beneficial interest in a particular nominal amount of the Notes (as shown by its records) a certificate of non-U.S. beneficial ownership in the form required by it. The aggregate nominal amount of Definitive Bearer Notes or interests in a Permanent Bearer Global Note issued upon an exchange of this Global Note will, subject to the terms hereof, be equal to the aggregate nominal amount of this Global Note submitted by the bearer for exchange.

On an exchange of the whole of this Global Note, this Global Note shall be surrendered to or to the order of the Principal Paying Agent. On an exchange of part only of this Global Note, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two and the relevant space in Schedule Two recording such exchange shall be signed by or on behalf of the Issuer, whereupon the nominal amount of this Global Note and the Notes represented by this Global Note shall be reduced by the nominal amount so exchanged. On any exchange of this Global Note for a Permanent Bearer Global Note, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two to the Permanent Bearer Global Note and the relevant space in Schedule Two to the Permanent Bearer Global Note recording such exchange shall be signed by or on behalf of the Issuer.

Until the exchange of the whole of this Global Note, the bearer of this Global Note shall in all respects (except as otherwise provided in this Global Note) be entitled to the same benefits as if they were the bearer of Definitive Bearer Notes and the relative Coupons and/or Talons (if any) represented by this Global Note. Accordingly, except as ordered by a court of competent jurisdiction or as required by law or applicable regulation, the Issuer and any Paying Agent may deem and treat the holder of this Global Note as the absolute owner of this Global Note for all purposes.

In the event that this Global Note (or any part of it) has become due and repayable in accordance with the Conditions or that the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made to the bearer in accordance with the provisions set out above, then from 8.00 p.m. (London time) on such day each Noteholder will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant executed by the Issuer on 22 January 2025 (as amended, supplemented, novated and/or restated as at the Issue Date) in respect of the Notes and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have under the Deed of Covenant).

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

If any provision in or obligation under this Global Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Global Note, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Global Note.

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

This Global Note shall not be valid unless authenticated by the Principal Paying Agent.

IN WITNESS whereof the Issuer has caused this Global Note to be duly executed on its behalf.

**The Issuer**

**EXECUTED as a DEED by** )  
 )  
**NEW ZEALAND LOCAL GOVERNMENT** )  
**FUNDING AGENCY LIMITED** )  
 )  
by two Directors )  
 )  
 )  
 )

Authenticated as Principal Paying Agent without recourse,  
warranty or liability by

**DEUTSCHE BANK AG, HONG KONG BRANCH**  
**(a company organised and existing under the laws of**  
**the Federal Republic of Germany and member's**  
**liability is limited)**

By:

By:











PART 2 OF SCHEDULE 6

FORM OF PERMANENT BEARER GLOBAL NOTE

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

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED

U.S.\$10,000,000,000

Euro Medium Term Note Programme

guaranteed by

the Local Authorities (as defined in the Local Government Act 2002 of New Zealand) that are from time to time guarantors under the deed of guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time)

ISIN: \_\_\_\_\_

Common Code: \_\_\_\_\_

PERMANENT BEARER GLOBAL NOTE

This Global Note is a Permanent Bearer Global Note in respect of a duly authorised issue of Notes (the **Notes**) of New Zealand Local Government Funding Agency Limited (the **Issuer**) described, and having the provisions specified, in Part A of the attached Pricing Supplement (the **Pricing Supplement**). References in this Global Note to the Conditions shall be to the Terms and Conditions of the Notes as set out in Schedule 2 to the Agency Agreement (as defined below) as completed by the information set out in the Pricing Supplement which may modify and supplement such Terms and Conditions, but in the event of any conflict between the provisions of (a) that Schedule or (b) this Global Note and the information set out in the Pricing Supplement, the Pricing Supplement will prevail.

Words and expressions defined or set out in the Conditions and/or the Pricing Supplement shall have the same meaning when used in this Global Note.

This Global Note is issued subject to, and with the benefit of, the Conditions and an Agency Agreement (the **Agency Agreement**, which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 22 January 2025 and made between the Issuer, Deutsche Bank AG, Hong Kong Branch (the **Principal Paying Agent**) and the other agents named in it.

The Issuer's obligations in relation to (among other things) this Global Note are guaranteed by the Local Authorities that are from time to time Guarantors under the Guarantee (each such term as defined in the Offering Circular dated 22 January 2025 in relation to the Notes (as may be amended and/or supplemented and/or updated from time to time, the **Offering Circular**)). If default is made in the payment of any amount payable in respect of this Global Note, a holder is entitled to request TEL Security Trustee (LGFA) Limited (in its capacity as Security Trustee (as defined in the Offering Circular)) to make a demand under the Guarantee.

For value received the Issuer, subject to and in accordance with the Conditions, promises to pay to the bearer of this Global Note on the Maturity Date and/or on such earlier date(s) as all or any of the Notes represented

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\* This legend can be deleted if TEFRA C or TEFRA not applicable is specified in the applicable Pricing Supplement.

by this Global Note may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Notes represented by this Global Note on each such date and to pay interest (if any) on the nominal amount of the Notes from time to time represented by this Global Note calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, upon presentation and, at maturity, surrender of this Global Note to or to the order of the Principal Paying Agent or any of the other paying agents located outside the United States (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Notes.

The nominal amount of the Notes represented by this Global Note shall be the aggregate nominal amount stated in the Pricing Supplement or, if lower, the nominal amount most recently entered by or on behalf of the Issuer in the relevant column in Part 2 or 3 of Schedule One or in Schedule Two.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One and the relevant space in Schedule One recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption, or purchase and cancellation, the nominal amount of the Notes represented by this Global Note shall be reduced by the nominal amount of the Notes so redeemed or purchased and cancelled.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

Where the Notes have initially been represented by one or more Temporary Bearer Global Notes, on any exchange of any such Temporary Bearer Global Note for this Global Note or any part of it, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two and the relevant space in Schedule Two recording such exchange shall be signed by or on behalf of the Issuer, whereupon the nominal amount of the Notes represented by this Global Note shall be increased by the nominal amount of any such Temporary Bearer Global Note so exchanged.

In certain circumstances, further notes may be issued which are intended on issue to be consolidated and form a single Series with the Notes. In such circumstances, details of such further notes shall be entered by or on behalf of the Issuer in Schedule Two and the relevant space in Schedule Two recording such further notes shall be signed by or on behalf of the Issuer, whereupon the nominal amount of the Notes represented by this Global Note shall be increased by the nominal amount of any such further notes so issued.

This Global Note may be exchanged in whole but not in part (free of charge) for security printed Definitive Bearer Notes and (if applicable) Coupons and/or Talons in the form set out in Parts 4, 5 and 6 respectively of Schedule 6 to the Agency Agreement (on the basis that all the appropriate details have been included on the face of such Definitive Bearer Notes and (if applicable) Coupons and Talons and the Pricing Supplement (or the relevant provisions of the Pricing Supplement) have been endorsed on or attached to such Definitive Bearer Notes) only upon the occurrence of an Exchange Event.

An **Exchange Event** means:

- (a) an Event of Default (as defined in Condition 9 (*Events of Default*)) has occurred and is continuing;
- (b) the Issuer has been notified that both Euroclear and Clearstream have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or

- (c) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by this Global Note in definitive form.

In the event of the occurrence of an Exchange Event:

- (i) the Issuer will promptly give notice to Noteholders in accordance with Condition 13 (*Notices*); and
- (ii) Euroclear and/or Clearstream acting on the instructions of any holder of an interest in this Global Note may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (c) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange.

Any such exchange shall occur no later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent and will be made upon presentation of this Global Note at the office of the Principal Paying Agent specified above by the bearer of this Global Note on any day (other than a Saturday or Sunday) on which banks are open for general business in New Zealand. The aggregate nominal amount of Definitive Bearer Notes issued upon an exchange of this Global Note will be equal to the aggregate nominal amount of this Global Note at the time of such exchange. On an exchange of this Global Note, this Global Note shall be surrendered to or to the order of the Principal Paying Agent.

Until the exchange of this Global Note, the bearer of this Global Note shall in all respects (except as otherwise provided in this Global Note) be entitled to the same benefits as if they were the bearer of Definitive Bearer Notes and the relative Coupons and/or Talons (if any) represented by this Global Note. Accordingly, except as ordered by a court of competent jurisdiction or as required by law or applicable regulation, the Issuer and any Paying Agent may deem and treat the holder of this Global Note as the absolute owner of this Global Note for all purposes.

In the event that (a) this Global Note (or any part of it) has become due and repayable in accordance with the Conditions or that the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made to the bearer in accordance with the provisions set out above, or (b) following an Exchange Event, this Global Note is not duly exchanged for definitive Notes by the day provided above, then from 8.00 p.m. (London time) on such day each Noteholder will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant executed by the Issuer on 22 January 2025 (as amended, supplemented, novated and/or restated as at the Issue Date) in respect of the Notes and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have under the Deed of Covenant).

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

If any provision in or obligation under this Global Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Global Note, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Global Note.

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

This Global Note shall not be valid unless authenticated by the Principal Paying Agent.

IN WITNESS whereof the Issuer has caused this Global Note to be duly executed on its behalf.

**The Issuer**

**EXECUTED** as a **DEED** by )  
 )  
**NEW ZEALAND LOCAL GOVERNMENT** )  
**FUNDING AGENCY LIMITED** )  
 )  
by two Directors )  
 )  
 )  
 )

Authenticated as Principal Paying Agent without recourse,  
warranty or liability by

**DEUTSCHE BANK AG, HONG KONG BRANCH (a  
company organised and existing under the laws of the  
Federal Republic of Germany and member's liability  
is limited)**

By:

By:











PART 3 OF SCHEDULE 6

FORM OF REGISTERED GLOBAL NOTE

[THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.]

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED

U.S.\$10,000,000,000

Euro Medium Term Note Programme

guaranteed by

the Local Authorities (as defined in the Local Government Act 2002 of New Zealand) that are from time to time guarantors under the deed of guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time)

ISIN: \_\_\_\_\_

Common Code: \_\_\_\_\_

REGISTERED GLOBAL NOTE

New Zealand Local Government Funding Agency Limited (the **Issuer**) hereby certifies that DB Nominees (Hong Kong) Limited is, at the date hereof, entered in the Register as the duly registered holder of the aggregate nominal amount of [ ] of a duly authorised issue of Notes (the **Notes**) described, and having the provisions specified, in Part A of the attached Pricing Supplement (the **Pricing Supplement**). References in this Global Note to the Conditions shall be to the Terms and Conditions of the Notes set out in Schedule 2 to the Agency Agreement (as defined below) as completed by the information set out in the Pricing Supplement which may modify and supplement such Terms and Conditions, but in the event of any conflict between the provisions of (i) that Schedule or (ii) this Global Note and the information set out in the Pricing Supplement, the Pricing Supplement will prevail.

Words and expressions defined or set out in the Conditions and/or the Pricing Supplement shall have the same meaning when used in this Global Note.

This Global Note is issued subject to, and with the benefit of, the Conditions and an Agency Agreement (the **Agency Agreement** which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 22 January 2025 and made between the Issuer, Deutsche Bank AG, Hong Kong Branch (the **Registrar**) and the other Agents named in it.

The Issuer's obligations in relation to (among other things) this Global Note are guaranteed by the Local Authorities that are from time to time Guarantors under the Guarantee (each such term as defined in the Offering Circular dated 22 January 2025 in relation to the Notes (as may be amended and/or supplemented and/or updated from time to time, the **Offering Circular**)). If default is made in the payment of any amount payable in respect of this Global Note, a holder is entitled to request TEL Security Trustee (LGFA) Limited

(in its capacity as Security Trustee (as defined in the Offering Circular)) to make a demand under the Guarantee.

Subject to and in accordance with the Conditions, the registered holder of this Global Note is entitled to receive on the Maturity Date and/or on such earlier date(s) as all or any of the Notes represented by this Global Note may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Notes represented by this Global Note on each such date and to pay interest (if any) on the nominal amount of the Notes from time to time represented by this Global Note calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, all in accordance with the Conditions.

The nominal amount of the Notes held by the registered holder hereof shall be the aggregate nominal amount stated in the Pricing Supplement or, if lower, the nominal amount most recently entered in the Register.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by the Registrar in the Register. Upon any such redemption or purchase and cancellation, the nominal amount of the Notes held by the registered holder hereof shall be reduced by the nominal amount of the Notes so redeemed or purchased and cancelled.

Notes represented by this Global Note are transferable only in accordance with, and subject to, the provisions of this Global Note (including the legend set out above) and of Condition 2 (*Transfers of Registered Notes*) and the rules and operating procedures of Euroclear and/ Clearstream.

This Global Note may be exchanged in whole but not in part (free of charge) for Definitive Registered Notes in the form set out in Part 7 of Schedule 6 to the Agency Agreement (on the basis that all the appropriate details have been included on the face of such Definitive Registered Notes and the Pricing Supplement (or the relevant provisions of the Pricing Supplement) have been endorsed on or attached to such Definitive Registered Notes) only upon the occurrence of an Exchange Event.

An **Exchange Event** means:

- (a) an Event of Default (as defined in Condition 9 (*Events of Default*)) has occurred and is continuing;
- (b) if this Global Note is registered in the name of a nominee for a common depository for Euroclear and Clearstream, the Issuer has been notified that both Euroclear and Clearstream have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or
- (c) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by this Global Note in definitive form.

The Issuer will promptly give notice to Noteholders in accordance with Condition 13 (*Notices*) upon the occurrence of an Exchange Event. In the event of the occurrence of any Exchange Event, Euroclear and/or Clearstream or any person acting on their behalf, acting on the instructions of any holder of an interest in this Global Note, may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (c) above, the Issuer may also give notice to the Registrar requesting exchange.

Any exchange shall occur no later than 10 days after the date of receipt of the relevant notice by the Registrar and will be made upon presentation of this Global Note at the office of the Registrar by or on behalf of the holder of it on any day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong. The aggregate nominal amount of Definitive Registered Notes issued upon an exchange of this Global Note will be equal to the aggregate nominal amount of this Global Note at the time of such exchange.

On an exchange in whole of this Global Note, this Global Note shall be surrendered to or to the order of the Registrar.

On any exchange following which Notes represented by this Global Note are no longer to be so represented details of the exchange shall be entered by the Registrar in the Register, following which the nominal amount of this Global Note and the Notes held by the registered holder of this Global Note shall be reduced by the nominal amount so exchanged.

Until the exchange of the whole of this Global Note, the registered holder of this Global Note shall in all respects (except as otherwise provided in this Global Note and in the Conditions) be entitled to the same benefits as if they were the registered holder of the Definitive Registered Notes represented by this Global Note.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the registered holder of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make entries in the register referred to above shall not affect such discharge.

In the event that (a) this Global Note (or any part of it) has become due and repayable in accordance with the Conditions or that the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made to the registered holder of this Global Note in accordance with the provisions set out above or (b) following an Exchange Event, this Global Note is not duly exchanged for definitive Notes by the day provided above, then from 8.00 p.m. London time on such day each Noteholder will become entitled to proceed directly against the Issuer on, and subject to the terms of, the Deed of Covenant executed by the Issuer on 22 January 2025 (as amended, supplemented, novated and/or restated as at the Issue Date) in respect of the Notes and the registered holder will have no further rights under this Global Note (but without prejudice to the rights which the registered holder or any other person may have under the Deed of Covenant).

This Global Note is not a document of title. Entitlements are determined by entry in the Register and only the duly registered holder from time to time is entitled to payment in respect of this Global Note.

The statements in the legend set out above are an integral part of the terms of this Global Note and, by acceptance of this Global Note, the registered holder of this Global Note agrees to be subject to and bound by the terms and provisions set out in the legend.

If any provision in or obligation under this Global Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Global Note, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Global Note.

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

This Global Registered Note shall not be valid for any purpose until it has been authenticated for and on behalf of Deutsche Bank AG, Hong Kong Branch as Registrar.

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

IN WITNESS whereof the Issuer has caused this Global Note to be duly executed on its behalf.

**The Issuer**

**EXECUTED as a DEED by** )  
 )  
**NEW ZEALAND LOCAL GOVERNMENT** )  
**FUNDING AGENCY LIMITED** )  
 )  
by two Directors )  
 )  
 )  
 )

Authenticated as Registrar without recourse, warranty or liability by

**DEUTSCHE BANK AG, HONG KONG BRANCH (a company organised and existing under the laws of the Federal Republic of Germany and member's liability is limited)**

By:

By:

**PART 4 OF SCHEDULE 6**  
**FORM OF DEFINITIVE BEARER NOTE**

*[Face of Note]*

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

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**

**U.S.\$10,000,000,000**

**Euro Medium Term Note Programme  
guaranteed by**

**the Local Authorities (as defined in the Local Government Act 2002 of New Zealand) that are from time to time guarantors under the deed of guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time)**

*[Specified Currency and Nominal Amount of Tranche] Notes [Due [Year of Maturity]]*

This Note is one of a duly authorised issue of Notes denominated in the Specified Currency (the **Notes**) of New Zealand Local Government Funding Agency Limited (the **Issuer**). References in this Note to the Conditions shall be to the Terms and Conditions [endorsed on this Note/attached to this Note/set out in Schedule 2 to the Agency Agreement (as defined below) which shall be incorporated by reference in this Note and have effect as if set out in it] as completed by Part A of the Pricing Supplement (the **Pricing Supplement**) (or the relevant provisions of Part A of the Pricing Supplement) endorsed on this Note but, in the event of any conflict between the provisions of the Conditions and the information in the Pricing Supplement, the Pricing Supplement will prevail.

This Note is issued subject to, and with the benefit of, the Conditions and an Agency Agreement (the **Agency Agreement**, which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 22 January 2025 and made between the Issuer, Deutsche Bank AG, Hong Kong Branch (the **Principal Paying Agent**) and the other agents named in it.

The Issuer's obligations in relation to (among other things) this Note are guaranteed by the Local Authorities that are from time to time Guarantors under the Guarantee (each such term as defined in the Offering Circular dated 22 January 2025 in relation to the Notes (as may be amended and/or supplemented and/or updated from time to time, the **Offering Circular**)). If default is made in the payment of any amount payable in respect of this Global Note, a holder is entitled to request TEL Security Trustee (LGFA) Limited (in its capacity as Security Trustee (as defined in the Offering Circular)) to make a demand under the Guarantee.

For value received, the Issuer, subject to and in accordance with the Conditions, promises to pay to the bearer of this Note on the Maturity Date and/or on such earlier date(s) as this Note may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Notes represented by this Note on each such date and to pay interest (if any) on this Note calculated and payable as provided in the Conditions together with any other sums payable under the Conditions.

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\* This legend can be deleted if TEFRA C or TEFRA not applicable is specified in the applicable Pricing Supplement

If any provision in or obligation under this Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Note, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Note.

This Note shall not be validly issued unless authenticated by the Principal Paying Agent.

IN WITNESS whereof the Issuer has caused this Note to be duly executed on its behalf.

**The Issuer**

**EXECUTED as a DEED by** )  
 )  
**NEW ZEALAND LOCAL GOVERNMENT** )  
**FUNDING AGENCY LIMITED** )  
 )  
by two Directors )  
 )  
 )  
 )

Authenticated as Principal Paying Agent without recourse, warranty or liability by

**DEUTSCHE BANK AG, HONG KONG BRANCH (a company organised and existing under the laws of the Federal Republic of Germany and member's liability is limited)**

By:

By:

*[Reverse of Note]*

**Terms and Conditions**

*[Terms and Conditions to be as set out in  
Schedule 2 to the Agency Agreement]*

**Pricing Supplement**

*[Set out text of Pricing Supplement  
relating to the Notes]*



PART 5 OF SCHEDULE 6

FORM OF COUPON

[Face of Coupon]

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED

U.S.\$10,000,000,000

Euro Medium Term Note Programme  
guaranteed by

the Local Authorities (as defined in the Local Government Act 2002 of New Zealand) that are from time to time guarantors under the deed of guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time)

[Specified Currency and Nominal Amount of Tranche]  
Notes [due [Year of Maturity]]

Part A

*For Fixed Rate Notes:*

This Coupon is payable to bearer, separately negotiable and subject to the Terms and Conditions of the Notes to which it appertains. Coupon for [ ] due on [ ]

Part B

*For Floating Rate Notes\*:*

Coupon for the amount due in accordance with the Terms and Conditions of the Notes to which it appertains on the Interest Payment Date falling in [ ]. Coupon due in [ ]

This Coupon is payable to bearer, separately negotiable and subject to such Terms and Conditions, under which it may become void before its due date.

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

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00                      0000000                      [ISIN]                      00                      0000000

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\* This legend can be deleted if TEFRA C or TEFRA not applicable is specified in the applicable Pricing Supplement.

**PART 6 OF SCHEDULE 6**

**FORM OF TALON**

*[Face of Talon]*

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

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**

**U.S.\$10,000,000,000**

**Euro Medium Term Note Programme  
guaranteed by**

**the Local Authorities (as defined in the Local Government Act 2002 of New Zealand) that are from time to time guarantors under the deed of guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time)**

***[Specified Currency and Nominal Amount of Tranche]* Notes [due [Year of Maturity]]**

Series No. [       ]

On and after [       ] further Coupons and a further Talon appertaining to the Note to which this Talon appertains will be issued at the specified office of any of the Paying Agents set out on the reverse hereof (and/or any other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Noteholders) upon production and surrender of this Talon.

This Talon may, in certain circumstances, become void under the Terms and Conditions endorsed on the Note to which this Talon appertains.

**The Issuer**

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**

By:

By:

---

\* This legend can be deleted if TEFRA C or TEFRA not applicable is specified in the applicable Pricing Supplement.

*[Reverse of Coupon and Talon]*

**PRINCIPAL PAYING AGENT**

[ ]

**OTHER PAYING AGENTS**

[ ]

and/or such other or further Principal Paying Agent or other Paying Agents and/or specified offices as may from time to time be duly appointed by the Issuer and notice of which has been given to the Noteholders.

PART 7 OF SCHEDULE 6

FORM OF DEFINITIVE REGISTERED NOTE

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED

U.S.\$10,000,000,000

Euro Medium Term Note Programme

guaranteed by

the Local Authorities (as defined in the Local Government Act 2002 of New Zealand) that are from time to time guarantors under the deed of guarantee and indemnity dated 7 December 2011 (as amended, supplemented or restated from time to time)

[Specified Currency and Nominal Amount of Tranche] Notes [Due [Year of Maturity]]

[THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.]

New Zealand Local Government Funding Agency Limited (the **Issuer**) hereby certifies that [ ] is/are, at the date of this Note, entered in the Register as the holder(s) of the aggregate nominal amount of [ ] of a duly authorised issue of Notes (the **Notes**) described, and having the provisions specified, in Part A of the attached Pricing Supplement (the **Pricing Supplement**). References in this Note to the Conditions shall be to the Terms and Conditions [endorsed on this Note/attached to this Note/set out in Schedule 2 to the Agency Agreement (as defined below)] as completed by information set out in the Pricing Supplement but, in the event of any conflict between the provisions of the Conditions and the information in the Pricing Supplement, the Pricing Supplement will prevail.

Words and expressions defined or set out in the Conditions and/or the [Pricing Supplement shall have the same meaning when used in this Note.

This Note is issued subject to, and with the benefit of, the Conditions and an Agency Agreement (the **Agency Agreement**, which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 22 January 2025 and made between the Issuer, Deutsche Bank AG, Hong Kong Branch (the **Registrar**) and the other parties named in it.

The Issuer's obligations in relation to (among other things) this Note are guaranteed by the Local Authorities that are from time to time Guarantors under the Guarantee (each such term as defined in the Offering Circular dated 22 January 2025 in relation to the Notes (as may be amended and/or supplemented and/or updated from time to time, the **Offering Circular**)). If default is made in the payment of any amount payable in respect of this Global Note, a holder is entitled to request TEL Security Trustee (LGFA) Limited (in its capacity as Security Trustee (as defined in the Offering Circular)) to make a demand under the Guarantee.

Subject to and in accordance with the Conditions, the registered holder(s) of this Note is/are entitled to receive on the Maturity Date and/or on such earlier date(s) as this Note may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Notes represented by this Note

on each such due date and interest (if any) on this Note calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, all in accordance with the Conditions.

If any provision in or obligation under this Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Note, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Note.

This Note is not a document of title. Entitlements are determined by entry in the Register and only the duly registered holder from time to time is entitled to payment in respect of this Note.

This Note shall not be valid unless authenticated by the Registrar.

**IN WITNESS** whereof the Issuer has caused this Note to be duly executed on its behalf.

**The Issuer**

**EXECUTED as a DEED** by )  
 )  
**NEW ZEALAND LOCAL GOVERNMENT** )  
**FUNDING AGENCY LIMITED** )  
 )  
by two Directors )  
 )  
 )  
 )

Authenticated without recourse, warranty or liability by

**DEUTSCHE BANK AG, HONG KONG BRANCH (a company organised and existing under the laws of the Federal Republic of Germany and member's liability is limited)**

By:

By:

**FORM OF TRANSFER**

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) to

.....  
.....  
.....

*(Please print or type name and address (including postal code) of transferee)*

[*Specified Currency*][ ] nominal amount of this Note and all rights hereunder, hereby irrevocably constituting and appointing Deutsche Bank AG, Hong Kong Branch as attorney to transfer such principal amount of this Note in the register maintained by New Zealand Local Government Funding Agency Limited with full power of substitution.

Signature(s)

.....

Date:

**NOTE:**

- This form of transfer must be accompanied by such documents, evidence and information as may be required pursuant to the Conditions and must be executed under the hand of the transferor or, if the transferor is a corporation, either under its common seal or under the hand of two of its officers duly authorised in writing and, in such latter case, the document so authorising such officers must be delivered with this form of transfer.
- The signature(s) on this form of transfer must correspond with the name(s) as it/they appear(s) on the face of this Note in every particular, without alteration or enlargement or any change whatever.

## SCHEDULE 7

### REGISTER AND TRANSFER OF REGISTERED NOTES

1. The Registrar shall at all times maintain in a place agreed by the Issuer the Register showing the amount of the Registered Notes from time to time outstanding and the dates of issue and all subsequent transfers and changes of ownership of the Registered Notes and the names and addresses of the holders of the Registered Notes. The holders of the Registered Notes or any of them and any person authorised by any of them may at all reasonable times during office hours inspect the Register and take copies of or extracts from it. The Register may be closed by the Issuer for such periods and at such times (not exceeding in total 30 days in any one year) as it may think fit.
2. Each Registered Note shall have an identifying serial number which shall be entered on the Register.
3. The Registered Notes are transferable by execution of the form of transfer endorsed on them under the hand of the transferor or, where the transferor is a corporation, under its common seal or under the hand of two of its officers duly authorised in writing.
4. The Registered Notes to be transferred must be delivered for registration to the specified office of the Registrar with the form of transfer endorsed on them duly completed and executed and must be accompanied by such documents, evidence and information as may be required pursuant to the Conditions and such other evidence as the Issuer may reasonably require to prove the title of the transferor or their right to transfer the Registered Notes and, if the form of transfer is executed by some other person on their behalf or in the case of the execution of a form of transfer on behalf of a corporation by its officers, the authority of that person or those persons to do so.
5. The executors or administrators of a deceased holder of Registered Notes (not being one of several joint holders) and in the case of the death of one or more of several joint holders the survivor or survivors of such joint holders shall be the only person or persons recognised by the Issuer as having any title to such Registered Notes.
6. Any person becoming entitled to Registered Notes in consequence of the death or bankruptcy of the holder of such Registered Notes may, upon producing such evidence that they hold the position in respect of which they propose to act under this paragraph or of their title as the Issuer shall require, be registered as the holder of such Registered Notes or, subject to the preceding paragraphs as to transfer, may transfer such Registered Notes. The Issuer shall be at liberty to retain any amount payable upon the Registered Notes to which any person is so entitled until such person shall be registered or shall duly transfer the Registered Notes.
7. Unless otherwise requested by them, the holder of Registered Notes of any Series shall be entitled to receive only one Registered Note in respect of their entire holding of the Series.
8. The joint holders of Registered Notes of any Series shall be entitled to one Registered Note only in respect of their joint holding of the Series which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the Register in respect of such joint holding.
9. Where a holder of Registered Notes has transferred part only of their holding of Notes represented by a single Registered Note there shall be delivered to them without charge a Registered Note in respect of the balance of their holding.
10. The Issuer shall make no charge to the Noteholders for the registration of any holding of Registered Notes or any transfer of it or for the issue or delivery of Registered Notes in respect of the holding at the specified office of the Registrar or by uninsured mail to the address specified by the holder. If any holder entitled to receive a Registered Note wishes to have the same delivered to them otherwise than

at the specified office of the Registrar, such delivery shall be made, upon their written request to the Registrar, at their risk and (except where sent by uninsured mail to the address specified by the holder) at their expense.

11. The holder of a Registered Note may (to the fullest extent permitted by applicable laws) be treated at all times, by all persons and for all purposes as the absolute owner of the Registered Note notwithstanding any notice any person may have of the right, title, interest or claim of any other person to the Registered Note. The Issuer shall not be bound to see to the execution of any trust to which any Registered Note may be subject and no notice of any trust shall be entered on the Register. The holder of a Registered Note will be recognised by the Issuer as entitled to their Registered Note free from any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Registered Note.
12. A Registered Note may not be exchanged for a Bearer Note or *vice versa*.



**SIGNATORIES**

This Agreement has been entered into on the date stated at the beginning of this Agreement.

**The Issuer**

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**



\_\_\_\_\_  
Signature of Director



\_\_\_\_\_  
Signature of Director

CHRIS - H. STOBO

Name of Director

HELEN A. ROBINSON

Name of Director

**The Principal Paying Agent, the Registrar and the Transfer Agent**

**DEUTSCHE BANK AG, HONG KONG BRANCH**

(a company organised and existing under the laws of the Federal Republic of Germany and member's liability is limited)

By:

By:

**SIGNATORIES**

This Agreement has been entered into on the date stated at the beginning of this Agreement.

**The Issuer**

**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED**

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Name of Director

\_\_\_\_\_  
Name of Director

**The Principal Paying Agent, the Registrar and the Transfer Agent**

**DEUTSCHE BANK AG, HONG KONG BRANCH**

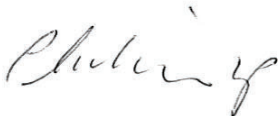
**(a company organised and existing under the laws of the Federal Republic of Germany and member's liability is limited)**

By:



Vuong, Ann  
Authorised Signatory

By:



Christine Nip  
Authorised Signatory