



BARCLAYS BANK PLC
(Incorporated with limited liability in England and Wales)
BARCLAYS CAPITAL (CAYMAN) LIMITED
(Incorporated with limited liability in the Cayman Islands)
(Guaranteed by Barclays Bank PLC)

£40,000,000,000
STRUCTURED NOTE PROGRAMME

Barclays Bank PLC (the "**Bank**" or the "**Guarantor**", as the case may be) and Barclays Capital (Cayman) Limited ("**BCCL**") (each in its capacity as an issuer, an "**Issuer**" and together, the "**Issuers**") may from time to time issue notes and other similar instruments ("**Notes**") under the programme described herein (the "**Programme**") denominated in such currencies as may be agreed or as may be otherwise designated by the Issuer at the time of issue and on terms and conditions (the "**Conditions**") set out in this document (hereinafter referred to as the "**Base Prospectus**") (as amended and supplemented from time to time), in the relevant final terms (each set, the "**Final Terms**") and any supplement to the Base Prospectus or other document that may be required to be issued in connection with the listing of any Notes. Notes issued by BCCL will be guaranteed by the Bank. The maximum aggregate nominal amount of all Notes to be issued from time to time outstanding will not exceed £40,000,000,000 (or its equivalent in other currencies). Notes of any series (a "**Series**") will entitle the holder thereof to receive a cash amount from the Issuer calculated in accordance with the relevant Conditions or, in the case of Equity Linked Notes, Equity Basket Notes or Credit Linked Notes (each as defined in the Conditions) to receive at the option of the Issuer a specified security or securities or a combination of securities and a cash amount (or *vice versa*, as the case may be), all as set out in the Conditions. The Issuers may issue Notes in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**").

Each set of Final Terms will set out certain information with respect to Notes of the relevant Series, including the denomination of each Note, the aggregate principal amount of the Notes being issued, the currency of the Notes, the designation, the aggregate number and type of Notes, the date of issue, the issue price, the redemption amount, the redemption date or dates and such other terms applicable to the particular Series of Notes as are specified therein (including any changes to the Conditions set out in this Base Prospectus).

This Base Prospectus is valid for one year from the date hereof and supersedes the Offering Circular dated 20 December 2004 and all previous documents relating to this Programme. Any Notes issued on or after the date of this Base Prospectus are subject to the provisions described herein.

This Base Prospectus has been approved by the United Kingdom Financial Services Authority (the "**FSA**"), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of Notes under the Programme issued within 12 months following the date of this document. Applications have been made to admit such Notes to listing on the Official List of the FSA (the "**Official List**") and to trading on the London Stock Exchange plc's (the "**London Stock Exchange**") market for gilt edged and fixed interest securities. Application may be made to any other stock exchange for a listing of a particular Series of Notes issued under the Programme (such other stock exchanges, together with the London Stock Exchange, the "**Relevant Stock Exchanges**"). Certain Series of Notes may not be listed on any stock exchange. If any Series of Notes are to be listed, the relevant Final Terms will specify on which exchange(s) such Notes will be listed. References in this Base Prospectus to Notes being "listed" on the London Stock Exchange, shall mean that such Notes have been admitted to trading on such exchange's regulated market and have been listed on such exchange. The London Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC.

The Notes and, in certain cases, the securities (if any) to be delivered when Notes are redeemed, have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), and Bearer Notes are subject to US tax law requirements. Trading in the Notes has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended (the "**Commodity Exchange Act**"). The Notes may not at any time be offered or sold in the United States or to US persons (as such terms are used in Regulation S under the Securities Act), nor may any US persons at any time trade or maintain a position in such Notes unless the Notes of the relevant Series are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. Additionally, Bearer Notes may not be offered, sold or delivered within the United States or its possessions or to United States persons (as such terms are used in the US Internal Revenue Code of 1986, as amended (the "**Code**"), and the regulations promulgated thereunder) except in certain transactions permitted by US tax regulations.

Registered Notes of each Series which are sold in an "offshore transaction" within the meaning of Regulation S under the Securities Act will be represented by interests in a global unrestricted certificate (a "**Regulation S Global Note**"), without interest coupons, which will be deposited with, and registered in the name of, a nominee for a common depository of Euroclear Bank S.A./N.V. as operator of the Euroclear Systems ("**Euroclear**"), and Clearstream Banking, société anonyme ("**Clearstream Luxembourg**") on its issue date. Beneficial interests in such global certificates will be shown on, and transfers thereof will be recorded solely through, records maintained by, Euroclear or Clearstream, Luxembourg.

Registered Notes of each Series sold to qualified institutional buyers within the meaning of Rule 144A under the Securities Act (which will at all times be subject to the transfer restrictions set out herein), will initially be represented by a global restricted certificate (each a "**DTC Restricted Global Note**") without interest coupons, which will be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**") on its issue date. Beneficial interests in a DTC Restricted Global Note will be shown on, and transfers

thereof will be recorded solely through, records maintained by DTC and its participants. Any Notes issued in the United States will be issued by the Bank.

Application has been made for publication of quotations for Registered Notes in The PortalSM Market ("**PORTAL**"), a subsidiary of The Nasdaq Stock Market, Inc. and may be made for designation of Registered Notes as "PORTAL Securities", as specified in the relevant Final Terms.

SEE "RISK FACTORS" FOR A DISCUSSION OF CERTAIN INFORMATION THAT SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS IN NOTES.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) communicated or caused to be communicated in connection with the issue, placement or sale of the Notes may only be made in circumstances in which section 21(1) of the FSMA does not (in the case of BCCL) or would not, if the Issuer were not an authorised person (in the case of the Bank), apply to the Issuer.

Barclays Capital

16 December 2005

The Bank and BCCL accept responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Bank and BCCL (which have taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

References herein to the "Group" are to the Bank and its subsidiaries.

The applicable Final Terms will specify the nature of the responsibility taken by the Issuer for the information relating to any underlying equity security, index, debt security, credit, currency exchange rate, commodity, commodity index or other item(s) (each a "*Reference Item*") (if applicable) to which the relevant Notes relate and which is contained in such Final Terms. However, unless otherwise expressly stated in a set of Final Terms, any information contained therein relating to a Reference Item will only consist of extracts from, or summaries of, information contained in financial and other information released publicly by the issuer, owner or sponsor, as the case may be, of such Reference Item or which is otherwise publicly available. The Issuer will, unless otherwise expressly stated in the applicable Final Terms, accept responsibility for accurately reproducing such extracts or summaries (insofar as it is applicable), but the Issuer will not accept any further or other responsibility (express or implied) in respect of such information.

Investors should conduct their own investigations into the relevant Reference Item and, in deciding whether to purchase Notes, investors should form their own views of the merits of such an investment based upon such investigations and not in reliance solely upon any information given in the Base Prospectus or any Final Terms.

If at any time after the preparation of this Base Prospectus (as amended, supplemented or modified) there is a significant change affecting any matter contained in this Base Prospectus or a significant new matter arises which would have been included if it had arisen when the Base Prospectus was prepared, the Issuer shall submit to the Relevant Stock Exchange (as defined in the Conditions) for its approval and if approved, publish a supplementary prospectus regarding the change or new matter. In any event, this Base Prospectus may be amended, supplemented or modified at any time by the Issuers.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Information Incorporated by Reference" on page 17) (provided, however, that, unless permitted to do so by the rules of the Relevant Stock Exchange, such incorporated documents do not form part of the particulars required by the Relevant Stock Exchange in connection with the listing of any Notes and/or Series of Notes).

The Bank and BCCL in their capacity as Issuers or any affiliates of either of them may hold, retain, buy or sell any Reference Item and may hold, retain, buy or sell any Notes issued under the Programme and/or enter into transactions relating thereto or derived therefrom, from time to time, in such amounts, with such purchasers and/or counterparties and at such prices (including at different prices) and on such terms as any such entity may determine as part of its business and/or any hedging transactions in connection with the arrangements described in this document or otherwise. In addition the Issuers, the Guarantor (where the Notes are issued by BCCL), or any affiliate of any of them may enter into arrangements with Underlying Companies and/or Reference Entities (as defined in the terms of the relevant Notes) the effect or consequence of which may be to affect the price of Underlying Securities, Reference Items and/or the Notes or which otherwise may have an effect on the relevant Reference Item (as the case may be) and/or the Notes.

Neither the delivery of this Base Prospectus nor any sale of Notes pursuant hereto shall, in any circumstances, create any impression that the information contained herein concerning the Bank and/or BCCL is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. Investors should review, *inter alia*, the most recent consolidated financial statements, if any, and any public announcements, if any, of the relevant Issuer and the Guarantor, if applicable, when deciding whether to purchase any Notes.

The distribution of this document and the offer of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document or any Final Terms comes are required by the Bank and BCCL to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in "Purchase and Sale — Selling Restrictions" in the relevant Securities Note. The information contained therein may be amended from time to time by the relevant Final Terms.

BEARER NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, BEARER NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (SEE "PURCHASE AND SALE").

THE REGISTERED NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND WITHIN THE UNITED STATES TO "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"). PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. THE BASE PROSPECTUS HAS BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF NOTES AND FOR THE LISTING OF NOTES ON THE RELEVANT STOCK EXCHANGE(S).

EACH PURCHASER OF REGISTERED NOTES WILL BE DEEMED, BY ITS ACCEPTANCE OF PURCHASE OF ANY SUCH REGISTERED NOTES, TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF SUCH REGISTERED NOTES AS SET OUT IN "TRANSFER RESTRICTIONS FOR REGISTERED NOTES" BELOW.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES HAS PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR THE ADEQUACY OF THE BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

In connection with the issue and sale of Notes, no person has been authorised to give any information or to make any representation not contained in or consistent with this Base Prospectus, any Final Terms or any other written information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Bank or BCCL. Neither the Issuers nor the Guarantor accepts responsibility for any information not contained herein or in any Final Terms. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offering or solicitation and no action is being taken to permit an offering of the Notes or the distribution of this Base Prospectus in any jurisdiction where action is required.

In this Base Prospectus, references to "\$", "US\$" and "*US dollars*" are to United States dollars, references to "*sterling*" and "£" are to pounds sterling and references to "*Yen*" and "¥" are to Japanese Yen. References to "*euro*" and to "€" are to the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Community as amended from time to time.

Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. See also the section "Risk Factors" starting on page 10.

In connection with the issue and distribution of any Series of Notes, the person (if any) disclosed as the stabilising manager in the applicable Final Terms may over-allot (provided that, in the case of any Tranche of Notes to be listed on the London Stock Exchange, the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate principal amount of the relevant Tranche) or effect transactions in the Notes with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail in the open market. There may be no obligation on the stabilising manager to do this. In doing so, such stabilising manager shall be acting as principal and not as agent of the Issuers. Such stabilising shall be carried out in accordance with all applicable laws and regulations and, if commenced, may be discontinued at any time, and must be brought to an end after a limited period.

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SUMMARY

This summary has been prepared in accordance with Article 5(2) of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive") and must be read as an introduction to the Base Prospectus relating to the Notes referred to below. This summary relates only to Notes with a denomination of less than EUR50,000. Any decision to invest in Notes should be based on a consideration of the relevant Base Prospectus as a whole, including the documents incorporated by reference.

Following implementation of the relevant provisions of the Prospectus Directive in a Member State of the European Economic Area, no civil liability in such Member State will attach to the Issuer or the Guarantor (as applicable) solely on the basis of the summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the relevant Base Prospectus. Where a claim relating to the information contained in the relevant Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the relevant Base Prospectus before the legal proceedings are initiated.

Words and expressions defined under the section "Terms and Conditions of the Notes" have the same meanings in this summary.

GENERAL DESCRIPTION OF THE ISSUERS

Barclays Bank PLC (the "**Bank**") is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered head office at 1 Churchill Place, London, E14 5HP, United Kingdom, telephone number +44 (0) 20 7116 1000. The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Act 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, Barclays Bank was re-registered as a public limited company and its name was changed from "Barclays Bank International Limited" to "Barclays Bank PLC".

The Bank and its subsidiary undertakings (taken together, the "**Group**") is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services. The Group also operates in many other countries around the world. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group and one of the largest financial services companies in the world by market capitalisation.

The short term unsecured obligations of the Bank are rated A-1+ by Standard & Poor's, P-1 by Moody's and F1+ by Fitch Ratings Limited and the long-term obligations of the Bank are rated AA by Standard & Poor's, Aa1 by Moody's and AA+ by Fitch Ratings Limited.

From 2005, the Group will prepare financial statements on the basis of IFRS. Based on the unaudited interim financial information as at and for the period ended 30 June 2005, prepared in accordance with IFRS, the Group had total assets of £850,388 million, total net loans and advances of £272,348 million, total deposits of £302,253 million, and total shareholders' equity of £22,050 million (including minority interests of £200 million). The profit before tax of the Group for the period ended 30 June 2005 was £2,690 million after charging an impairment loss on loans and advances and other credit risk provisions of £706 million.

The Group's audited financial statements for the year ended 31 December 2004 were prepared in accordance with U.K. GAAP. On this basis, as at 31 December 2004, the Group had total assets of £522,253 million, total net loans and advances of £330,077 million, total deposits of £328,742 million and shareholders' funds of £18,271 million (including £690 million of non-equity funds). The profit before tax under U.K. GAAP for the year ended 31 December 2004 was £4,612 million after charging net provisions for bad and doubtful debts of £1,091 million.

Barclays Capital (Cayman) Limited ("**BCCL**") was incorporated in the Cayman Islands on 24 July 1989 for an unlimited duration and registered on 26 July 1989. BCCL operates under Cayman Islands law with limited liability. BCCL's registered office is at the offices of Barclays Private Bank & Trust (Cayman) Limited, PO Box 487, Grand Cayman, Cayman Islands, West Indies. Its registration number is 32968. BCCL is a wholly-owned direct subsidiary of the Bank.

BCCL was established for the purpose of issuing notes, warrants and buying and selling options. It is the policy of the Directors to hedge fully the liabilities of BCCL arising under notes and warrants issued by BCCL.

BCCL is resident for tax purposes in the United Kingdom.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Bank or BCCL may, subject to compliance with all applicable laws, regulations and directives, from time to time, issue Notes (denominated in such currencies as may be specified in the applicable Final Terms) pursuant to a master issue and paying agency agreement dated on or about 16 December 2005 (as amended and supplemented from time to time) among the Issuers, JPMorgan Chase Bank, N.A. (as "**Issue and Paying Agent**", as "**Registrar**" and as "**Transfer Agent**"), the Bank and Barclays Capital Securities Limited (each as "**Determination Agent**"), JPMorgan Chase Bank, N.A., New York Branch as paying agent, transfer agent and registrar (as "**New York Agent**") and the Guarantor, (the "**Master Issue and Paying Agency Agreement**"). A summary of the Programme and of the types of Notes appears under the heading "Summary of the Programme and the Notes" immediately below.

The applicable terms of any Notes are set out in the Conditions, as modified and supplemented by the applicable Final Terms with respect to each Series of Notes and incorporated into the relevant Temporary Global Note, Permanent Global Note (each a "**Global Note**") or definitive Note, as the case may be. Each such Final Terms will be delivered to the Issue and Paying Agent on or prior to the date of issue of such Series of Notes and will also be delivered to the Relevant Stock Exchange if the particular Series is listed. This Base Prospectus and any Final Terms will only be valid for issuing and, if applicable, listing Notes on the London Stock Exchange and/or any other stock exchange in respect of which a particular Series of Notes is to be listed, in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme (excluding for this purpose Notes due to be redeemed on the relevant day of calculation), does not exceed £40,000,000,000 or its equivalent in other currencies.

The following are the principal documents entered into in connection with the establishment of the Programme and the issue of Notes under it:

1. the Master Issue and Paying Agency Agreement, which sets the method of appointment and the obligations and duties of the Issue and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents, the Determination Agent and the procedures for the issue of Notes (including Global Notes and definitive Notes);
2. the Master Subscription Agreement, which sets out details and procedures for the subscription of each issue of Notes under the Programme;
3. the Guarantee, pursuant to which the Guarantor has agreed to guarantee the payment obligations of BCCL in respect of any of the Notes issued by it under the Programme; and
4. the Deed of Covenant, which gives the Noteholders certain direct rights against the Issuers in certain limited circumstances, as set out under "Form of the Notes" below.

Copies of all such documents are available as described in "General Information — Documents Available for Inspection" below, and Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of, all the provisions of such documents and the applicable Final Terms.

THE PROGRAMME AND THE NOTES

Issuers:	Barclays Bank PLC or Barclays Capital (Cayman) Limited (under the guarantee of the Bank)
Guarantor:	Barclays Bank PLC in respect of issues of Notes by BCCL
Managers:	Barclays Bank PLC and any other Manager specified in the relevant Final Terms
Issue and Paying Agent / Registrar and Transfer Agent:	JPMorgan Chase Bank, N.A.
Determination Agent:	Barclays Capital Securities Limited and/or Barclays Bank PLC (and any other Determination Agent) as specified in the relevant Final Terms

New York Agent:	JPMorgan Chase Bank, N.A., New York Branch
Size:	Up to £40,000,000,000 (or its equivalent in other currencies calculated as described herein) outstanding at any time.
Listing:	Notes issued pursuant to the Programme may be listed on the London Stock Exchange and/or any other recognised stock exchange. The Final Terms relating to each Series will state on what stock exchange(s) the Notes are to be listed, if any. Certain Series of Notes may be unlisted.
Issue Price:	Notes may be issued on a fully paid or a partly paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Maturities:	Any maturity will be subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Governing Law:	English Law

The types of Notes that may be issued under the Programme will include the following:

- (i) **Equity Linked Notes**, being notes in respect of an equity security;
- (ii) **Single Index Notes**, being notes relating to a particular index;
- (iii) **Equity Basket Notes**, being notes in respect of a basket of equity securities;
- (iv) **Basket of Indices Notes**, being notes in respect of a basket of indices;
- (v) **Currency Linked Notes**, being notes relating to a particular currency or currency pair;
- (vi) **Credit Linked Notes**, being notes relating to the credit of a Reference Entity or Entities, or a Reference Obligation or a basket of Reference Obligations; and
- (vii) **Commodity Linked Notes**, being notes relating to a particular commodity or commodities or, a particular index or indices comprising various commodities.

Other types of Notes may from time to time be issued under the Programme. Any such other Notes will be designated "**Non-Standard Notes**", and the Final Terms pertaining to the issue of any such Non-Standard Notes will specify all the terms and conditions applicable thereto, which may or may not include certain or all of the terms and conditions set out in the Conditions contained herein.

RISK FACTORS

Prospective investors should read the entire Base Prospectus (and where appropriate, any relevant final terms). Words and expressions defined elsewhere in this Base Prospectus have the same meanings in this section. Investing in securities involves certain risks.

An investment in Notes linked to one or more Reference Items may involve a number of risks, some of which are referred to below and which are not associated with investment in a conventional debt security. Further specific risk factors may be set out in the applicable Final Terms for a particular Series of Notes. The amount paid by the Issuer on redemption of the Notes may be less than the principal amount of the Notes and may in certain circumstances be zero. Potential investors should ensure that they fully understand all of the risks prior to making any investment decision. Potential investors should seek independent financial advice prior to investing in Notes. Prospective investors should consider, among other things, the following:

RISKS RELATING TO THE GROUP

General

The profitability of the businesses of the Group could be adversely affected by a worsening of general economic conditions in the United Kingdom or globally. Factors such as the liquidity of the global financial markets, the level and volatility of equity prices and interest rates, investor sentiment, inflation, and the availability and cost of credit could significantly affect the activity level of customers.

A market downturn would likely lead to a decline in the volume of transactions that the Bank executes for its customers and, therefore, lead to a decline in the income it receives from fees and commissions. A market downturn or worsening of the economy could cause the Group to incur mark-to-market losses in its trading portfolios. A market downturn also could potentially result in a decline in the fees the Bank earns for managing assets. For example, a higher level of domestic or foreign interest rates or a downturn in trading markets could affect the flows of assets under management. An economic downturn or significantly higher interest rates could adversely affect the credit quality of the Bank's on-balance sheet and off-balance sheet assets by increasing the risk that a greater number of the Group's customers would be unable to meet their obligations.

The Group's provisions for credit losses provide for losses inherent in loans and advances and other credit exposures. Estimating losses is inherently uncertain and depends on many factors, including general economic conditions, rating migration, structural and technological changes within industries and changes in customer preferences that alter competitive positions, mismanagement by customers and other external factors such as legal and regulatory requirements.

Operational Risks

The Group's businesses are dependent on the ability to process a large number of transactions efficiently and accurately. Operational risks and losses can result from fraud, errors by employees, failure properly to document transactions or to obtain proper internal authorisation, failure to comply with regulatory requirements and Conduct of Business rules, equipment failures, natural disasters or the failure of external systems, for example, those of the Group's suppliers or counterparties. Although the Group has implemented risk controls and loss mitigation actions, and substantial resources are devoted to developing efficient procedures and to staff training, it is only possible to be reasonably, but not absolutely, certain that such procedures will be effective in controlling each of the operational risks faced by the Group.

The Group is subject to comprehensive legal obligations in the U.K., the European Union, the U.S., the Asia-Pacific region and in the many other countries around the world in which the Group operates. As a result, the Group is exposed to many forms of legal risk, which may arise in a number of ways. Primarily:

- Group business may not be conducted in accordance with applicable laws;
- contractual obligations may either not be enforceable as intended or may be enforced against the Group in an adverse way;
- the intellectual property of the Group (such as its trade names) may not be adequately protected; and

- the Group may be liable for damages to third parties harmed by the conduct of its business.

In addition, the Group faces risk where legal proceedings are brought against it. Regardless of whether or not such claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss.

Although the Group has processes and controls around the management of legal risk, failure to manage legal risks can impact the Group adversely, both financially and reputationally.

Tax risk is the risk associated with changes in, or errors in the interpretation of, taxation rates or law. This could result in increased charges or financial loss.

Although the Group devotes considerable resources to managing tax risk, failure to manage this risk can impact the Group adversely.

The Group devotes substantial management and planning resources to the development of strategic plans for organic growth and identification of possible acquisitions, supported by substantial expenditure to generate growth in customer business. If these strategic plans do not meet with success, the Group's earnings could grow more slowly or decline.

Risks relating to the Financial Services Industry

The most significant market risks the Group faces are interest rate, credit spread, foreign exchange, commodity price and equity price risks. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between lending income and borrowing costs. Changes in currency rates, particularly in the sterling-dollar and sterling-euro exchange rates, affect the value of assets and liabilities denominated in foreign currencies and affect earnings reported by the Group's non-U.K. subsidiaries and may affect revenues from foreign exchange dealing. The performance of financial markets may cause changes in the value of the Group's investment and trading portfolios and in the amount of revenues generated from assets under management. The Group has implemented risk management methods to mitigate and control these and other market risks to which the Group is exposed. However, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Group's financial performance and business operations. In addition, the value of assets held in the Group's pension and long-term assurance funds are also affected by the performance of financial markets.

The Group's authority to operate as a bank is dependent upon the maintenance of an adequate capital base. It is required to meet capitalisation requirements in the U.K. and in other markets where banking activities are undertaken. As the level of capitalisation may affect the Group's debt rating, the Group also manages its capital to secure the maintenance of its strong rating. Moreover, the absence of a sufficiently strong capital base may constrain the Group's growth and strategic options. Unforeseen circumstances may arise under which the Group is unable to maintain its desired capitalisation.

Liquidity risk is the risk that the Group is unable to meet its payment obligations when they fall due and to replace funds when they are withdrawn; the consequence of which may be the failure to meet obligations to repay depositors and fulfil commitments to lend. This risk exists in the U.K. as well as in overseas markets. There is a risk that the Group mismanages its liquidity or that circumstances may arise under which it is unable to maintain adequate liquidity.

The Group is subject to extensive supervisory and regulatory regimes in the U.K., elsewhere in Europe, the U.S., the Asia-Pacific region and in the many other countries around the world in which it operates.

Regulatory compliance risk arises from a failure or inability to comply fully with the laws, regulations or codes applicable specifically to the financial services industry. Non-compliance could lead to fines, public reprimands, damage to reputation, enforced suspension of operations or, in extreme cases, withdrawal of authorisation to operate.

The Group's businesses and earnings can be affected by the fiscal or other policies and other actions of various regulatory authorities of the U.K., other European Union or foreign governments and international agencies. The nature and impact of future changes in such policies and regulatory action are not predictable and are beyond the Group's control.

There is continuing political and regulatory scrutiny of, and major changes in, legislation and regulation of the consumer credit industry in the U.K. and elsewhere. In the U.K., these currently include a review of store cards by the Competition Commission and investigations by the Office of Fair Trading into interchange rates and default fees on credit cards. The review and investigations are looking at the consumer credit industry

generally and the Group is co-operating with those proceedings. Their outcome is unclear but may have an impact on the consumer credit industry in general and therefore on the Group's business in this sector.

Other areas where changes could have an impact include *inter alia*:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which the Group operates;
- general changes in the regulatory requirement, for example, prudential rules relating to the capital adequacy framework;
- changes in competition and pricing environments;
- changes in the financial reporting environment;
- expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership; and
- other unfavourable political, military or diplomatic developments producing social instability or legal uncertainty which in turn may affect demand for the Group's products and services.

The U.K. and global financial services market remains highly competitive and innovative competition comes both from incumbent players and a steady stream of new market entrants. The landscape is expected to remain highly competitive in all the Group's businesses, which could adversely affect the Group's profitability.

RISKS RELATING TO THE NOTES

General Considerations

The Notes involve a degree of risk, which may include interest rate, corporate, market, foreign exchange, time value and/or political risks, as well as other risks arising from fluctuations in the values of the relevant securities (or basket of securities), index (or basket of indices), commodity (or commodity index) or other Reference Item(s) which may be specified in the applicable Final Terms, and general risks applicable to the stock market (or markets) and capital markets.

In order to realise a return upon an investment in a Note, an investor must have correctly anticipated the timing and magnitude of an anticipated increase or the absence of a decrease in the value of the relevant Reference Item(s) relative to the Issue Price and must also be correct about when any change will occur. If the value of the Reference Item(s) does not increase, or decreases, as the case may be, before such Note is redeemed, part of the investor's investment in such Note may be lost on such redemption. Other than in respect of Notes which are redeemable prior to the Maturity Date at the option of the Noteholder, the only means by which a Noteholder can realise value from its Notes prior to their Maturity Date is to sell such Notes at their then market price in the secondary market (if available) (see "— Possible Illiquidity of the Secondary Market" below).

Fluctuations in the value of the relevant index or basket of indices (including the prices of securities included in an Index or Basket of Indices) will affect the value of Single Index Notes and Basket of Indices Notes. Fluctuations in the price of the relevant equity security or value of the basket of equity securities will affect the value of Equity Linked Notes and Equity Basket Notes. In both these cases and in the case of Currency Linked Notes, fluctuations in the value of the currency or currencies in or to which the Notes or the Underlying Securities or Index are denominated or linked will also affect the value of such Notes. Also, due to the character of the particular markets on which most equity securities are traded, the absence of last sale information and the limited availability of quotations for such equity securities may make it difficult for many investors to obtain timely, accurate data for the price or yield of such equity securities.

The occurrence of certain events or circumstances, in each case as specified in the applicable Final Terms, will affect the value of Credit Linked Notes and the Issuer's obligation to pay principal may be replaced by an obligation to pay other amounts calculated by reference to the value of the Reference Obligation(s) and/or to deliver the Reference Obligation(s). The Issuer's obligations in respect of Credit Linked Notes are not dependent on the existence of credit exposure of the relevant Issuer to a Reference Entity and the relevant Issuer need not itself suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

Fluctuations in the value of a Relevant Commodity or Commodity Index may affect the value of Commodity Linked Notes.

Prospective investors in Notes should understand the risks of transactions involving the relevant Notes and should reach an investment decision only after careful consideration of the suitability of such Notes in the light of their particular financial circumstances, the information set forth herein and any other available information regarding the relevant Notes and the Reference Item(s) to which the value of such Notes may relate. Where the relevant Issuer is required to redeem the Notes prior to the Maturity Date at the option of the Noteholders an investor should understand the consequences of liquidating any investment in the Notes by redeeming such investment as opposed to selling it. This includes knowing when the Notes are redeemable and how to redeem them.

The relevant Issuer may vary the manner in which a particular series of Notes are redeemed. At its sole and unfettered discretion, it may elect not to pay the relevant Noteholders the Redemption Amount or the Early Redemption Amount, as the case may be, or to deliver or procure delivery of the relevant Underlying Securities or Deliverable Obligations to the relevant Noteholders, as the case may be, and in lieu thereof, deliver or procure the delivery of the relevant Underlying Securities or Deliverable Obligations or make payment of the Redemption Amount or the Early Redemption Amount on the Maturity Date or the Early Redemption Payment Date, as the case may be, to the relevant Noteholders. See "Terms and Conditions of the Notes — Redemption" below.

Restrictions on Transfer

The Notes have not been and will not be registered under the Securities Act and are being offered and sold in the United States only to QIBs in reliance on Rule 144A under the Securities Act. None of the Issuers, the Managers and their respective affiliates, or any other person or entity, has any obligation to register the Notes under the Securities Act or to register or qualify the Notes under any applicable law relating to the offering or sale of securities. Each purchaser of Restricted Notes (as defined herein) within the United States pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that it is (a) a qualified institutional buyer within the meaning of Rule 144A, (b) acquiring such Restricted Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A. Each such purchaser understands that such Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States. No representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for resales of the Notes. Each purchaser of Notes sold outside the United States in reliance on Regulation S will be deemed to have represented that (a) it is not a US person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.

Disrupted Days and Disruption Events

Where the Notes are Equity Basket Notes, Equity Basket Notes, Single Index Notes or Basket of Indices Notes, and Disrupted Day is specified as applying in the applicable Final Terms, the Determination Agent may determine that an event giving rise to a Disrupted Day has occurred at any relevant time. Where the Notes are Currency Linked Notes, the Determination Agent may determine that a Disruption Event has occurred at any relevant time. Where the Notes are Commodity Linked Notes, the Determination Agent may determine that a Commodity Market Disruption Event has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay settlement in respect of the Notes. Prospective purchasers should review the Conditions of the Notes and the applicable Final Terms to ascertain whether and how such provisions apply to the Notes. See "Time Lag After Redemption" and "Terms and Conditions of the Notes — Rights of the Issuer on a Disrupted Day or Disruption Event" below.

Settlement Risk

Where the Notes provide for physical delivery, the Determination Agent may determine that a Settlement Disruption Event is subsisting. Any such determination may affect the value of the Notes and/or may delay settlement in respect of the Notes.

Certain Factors Affecting the Value and Trading Price of Notes

Generally, Notes offer investment diversification opportunities, but also pose some additional risks with regard to interim value. The interim value of the Notes varies with the price and/or level of the Reference Item and is affected by a number of other factors, including but not limited to:

- (i) the value and volatility of the Reference Item(s);
- (ii) where the Reference Item(s) is/are equity securities, the dividend rate on the Reference Item(s) and the financial results and prospects of the issuer of each Reference Item;
- (iii) in the case of Credit Linked Notes, the creditworthiness of the specified reference entity or entities;
- (iv) market interest rates;
- (v) fluctuations in currency exchange rates;
- (vi) fluctuations in commodities prices;
- (vii) the liquidity of the Notes or any Reference Item(s) in the secondary market;
- (viii) the time remaining to any redemption date or the maturity date; and
- (ix) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally and the stock exchange(s) on which any Reference Item or Notes may be traded.

There can be no assurance that a Noteholder will be able to sell any Notes prior to maturity at a price equal to or greater than the market value of the Notes on the Issue Date and such Noteholder may only be able to sell Notes at a discount, which may be substantial, to the Issue Price. The past performance of any Reference Item should not be taken as an indication of the future performance of that Reference Item during the term of any Note.

Noteholders may lose the value of their entire investment or part of it, as the case may be.

No Claim against any Reference Item

A Note will not represent a claim in respect of any Reference Item and, in the event that the amount paid by the Issuer on redemption of the Notes is less than the Principal Amount of the Notes, a Noteholder will not have recourse under a Note to any Reference Item.

Limitations on Redemption

If so indicated in the applicable Final Terms, the Issuer will have the option to limit the number of Notes which Noteholders (whether or not acting in concert) may require the Issuer to redeem at any one time to the maximum number specified in those Final Terms (see Condition 9). In the event that the total number of Notes which Noteholders have requested the Issuer to redeem on any date exceeds such maximum number and the Issuer elects to limit the number of Notes redeemable on such date, a Noteholder may not be able to redeem all the Notes that such holder desires to redeem on such date. Notes to be redeemed on such date will be selected on a *pro rata* basis (unless otherwise specified in the applicable Final Terms). Unless otherwise specified in the applicable Final Terms, the Notes in respect of which the Issuer has received requests for redemption from Noteholders but which are not redeemed on such date will be redeemed on the next date on which Notes may be redeemed, subject to the same daily maximum limitation and delayed redemption provisions.

If so indicated in the applicable Final Terms, the number of Notes which a Noteholder may request the Issuer to redeem on any day may be subject to a specified minimum number of Notes and thereafter to specified integral multiples of Notes. Thus, Noteholders with fewer than the specified minimum number of Notes or specified multiples thereof will either have to sell their Notes or purchase additional Notes, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Notes incur the risk that there may be differences between the trading price of such Notes and the Redemption Amount or Early Redemption Amount, as the case may be, or the value of any Reference Item which the Issuer elects to deliver on redemption of such Notes.

Subject to the immediately following paragraph, when the Issuer elects to deliver Underlying Securities, Notes may only be redeemed in such amounts as will ensure that the number of Underlying Securities to be delivered is equal to an integral multiple of the minimum board lot for the trading of the Underlying Securities on the relevant Exchange as from time to time specified by such Exchange (a "**Board Lot**") (see Condition 9.4). Noteholders who request that the Issuer redeem a holding of Notes which would not result in the purchase of a number of Underlying Securities equal to an integral multiple of the relevant Board Lot, will receive the maximum number of Underlying Securities equivalent to the maximum permissible integral multiple of a Board Lot and may be entitled to a payment in lieu thereof at the option of the Issuer in respect of the remaining Underlying Securities unless any such payment is of a *de minimis* amount, in which case Noteholders shall not receive anything in respect of the remaining Notes. Noteholders will, therefore, either have to sell their Notes or purchase additional Notes, incurring transaction costs in either case, in order to realise their investment.

Time Lag After Redemption

Unless otherwise specified in the relevant Final Terms, in the case of Notes which the Issuer is required to redeem prior to the Maturity Date at the option of the Noteholder, there will be a time lag between the time a Noteholder gives the instruction to redeem and the time the applicable Early Redemption Amount is determined by the Determination Agent. Such time lag could be significantly longer, however, particularly in the case of a delay in the redemption of Notes due to there being a limit on the maximum number of Notes redeemable on any one day, following the imposition of any exchange controls or similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies), or following a determination by the Issue and Paying Agent, or the Determination Agent, as applicable, that there is any Settlement Disruption Event or that a Disrupted Day has occurred. The applicable Early Redemption Amount may change significantly during any such period, and such movement or movements could decrease the Early Redemption Amount, and may result in a Noteholder not realising a return on an investment in the Notes.

Hedging

In connection with the offering of the Notes, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Reference Item(s) or related derivatives. In connection with such hedging activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in the Reference Item(s) or related derivatives which may, but are not intended to, affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interest of the relevant Noteholders.

Possible Illiquidity of the Secondary Market

There can be no assurance as to how Notes will trade in the secondary market or whether such market will be liquid or illiquid. The number of Notes of any Series may be relatively small, further adversely affecting the liquidity of such Notes. The relevant Issuer may list Notes on the London Stock Exchange or any other exchange as is specified in the applicable Final Terms or may issue Notes which are not listed on any exchange. However, no assurance can be given that any secondary trading market will develop for the Notes. If Notes are not listed or traded on any exchange, pricing information for such Notes may be more difficult to obtain and the liquidity of such Notes may be adversely affected. Certain Notes are also subject to transfer restrictions. See "Terms and Conditions of the Notes — Form, Denomination, Transfer and Title" below.

Termination of the Notes in the Event of Unlawfulness or Impracticability

If the Determination Agent determines that the Issuer's or the Guarantor's (where BCCL is the Issuer) performance under the Notes, or any arrangements made to hedge the Issuer's obligations under the Notes, have or shall become unlawful or impracticable in whole or in part for any reason, the relevant Issuer may terminate the Notes by paying each holder of such Notes an amount determined by the Issue and Paying Agent to be its Fair Market Value (see Condition 15 below). Such termination may result in an investor not realising a return on an investment in the relevant Notes.

Potential Conflicts of Interest

The relevant Issuer and its affiliates may engage in trading and market-making activities and may hold long or short positions in the relevant Reference Item(s) and other instruments or derivative products based on or related to the relevant Reference Item(s) for their proprietary accounts or for other accounts under their management. The Issuers and their respective affiliates may also issue Notes in respect of the relevant Reference Item(s) which are securities, or issue derivative instruments in respect thereof. To the extent that either of the Issuers, directly or through its affiliates, serves as issuer, agent, manager or underwriter of such

securities or other instruments, its interests with respect to such products may be adverse to those of the Noteholders. The Issuers or their affiliates may also act as underwriter in connection with future offerings of securities which comprise the Reference Items or may act as financial advisors to certain Underlying Companies or Reference Entities. Such activities could present certain conflicts of interest, could influence the prices of such Reference Items and could adversely affect the value of the Notes.

Status of the Notes

The Notes are unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the relevant Issuer. See "Terms and Conditions of the Notes — Status" below.

Taxation

Potential purchasers of Notes should be aware that stamp duty and other taxes and/or charges may be levied in accordance with the laws and practices in the countries where the Notes are transferred and/or where Reference Items are delivered.

The summaries set out under the heading "Taxation" in this document do not consider the tax treatment of payments in respect of Notes linked to one or more Reference Items ("**Relevant Notes**"). Potential purchasers of Relevant Notes should note that the tax treatment of payments in respect of Relevant Notes may be different (and in some cases significantly different) from that set out in those summaries.

Potential purchasers of Notes who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

INFORMATION INCORPORATED BY REFERENCE

The following information in relation to the Bank shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- the joint Annual Report of Barclays PLC and the Bank, as filed with the SEC on Form 20-F in respect of the years ended 31 December 2003 and 31 December 2004, with the exception of the information incorporated by reference in the Annual Report referred to in the Exhibit Index of the Annual Report, which shall not be deemed to be incorporated in this Base Prospectus, and the Annual Report and Accounts containing the audited consolidated accounts of the Bank in respect of the years ended 31 December 2003 and 31 December 2004;
- the amendment to the Annual Report of the Bank as filed with the SEC on Form 20-F/A on 6 May 2005, with the exception of the information incorporated by reference in the Annual Report referred to in the Exhibit Index of the Annual Report, which shall not be deemed to be incorporated in this Base Prospectus; and
- the joint Interim Report of Barclays PLC and the Bank as filed with the SEC on Form 6K on 5 October 2005 in respect of the six months ended 30 June 2005 and the Interim Results Announcement of the Bank in respect of the six months ended 30 June 2005.

The above documents may be inspected as described in "General Information" below.

Information contained in the documents incorporated by reference other than information listed in the table below is for information purposes only.

The table below sets out the relevant page references for the information contained within the Annual Report filed on Form 20F:

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The table below sets out the relevant page references for the information contained within the amendment to the Annual Report filed on Form 20F/A:

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By Regulation (EC) No 1606/2002 of the European Parliament and the Council of 19 July 2002 on the application of international accounting standards (the "Regulation"), the EU agreed that virtually all listed companies in the European Union must use International Financial Reporting Standards ("**IFRS**") adopted for use in the European Union in the preparation of their 2005 consolidated accounts. The Group will adopt the requirements of IFRS for the first time for the purpose of preparing financial statements for the year ending 31 December 2005. The audited Annual Report 2004 was prepared in accordance with U.K. Generally Accepted Accounting Principles ("**U.K. GAAP**").

The results of the Group for the six months to 30 June 2005 have been stated on an IFRS basis. For prior periods, the Group has applied IFRS from 1 January 2004, with the exception of the standards relating to financial instruments and insurance contracts, which are applied only with effect from 1 January 2005. The impacts of adopting IAS 32, IAS 39 and IFRS 4 are not included in the 2004 comparatives in accordance with IFRS 1 and financial instruments and insurance contracts are accounted for in accordance with U.K. GAAP in 2004. Therefore, the results for 2005 are not entirely comparable to those for 2004 in affected areas.

If at any time the Bank or BCCL shall be required to prepare a supplement to the Base Prospectus pursuant to Section 87 of the Financial Services and Markets Act 2000 ("**FSMA**"), or to give effect to the provisions of Article 16(1) of the Prospectus Directive, the Bank or BCCL will prepare and make available an appropriate amendment or supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the London Stock Exchange's Gilt Edged and Fixed Income Market, shall constitute a prospectus supplement as required by the FSA and Section 87 of the FSMA.

INFORMATION RELATING TO THE BANK

The Bank is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered head office at 1 Churchill Place, London, E14 5HP, United Kingdom, telephone number +44 (0) 20 7116 1000. The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Act 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, Barclays Bank was re-registered as a public limited company and its name was changed from "Barclays Bank International Limited" to "Barclays Bank PLC".

The Bank and its subsidiary undertakings (taken together, the "**Group**") is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services. The Group also operates in many other countries around the world. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group and one of the largest financial services companies in the world by market capitalisation.

The short term unsecured obligations of the Bank are rated A-1+ by Standard & Poor's, P-1 by Moody's and F1+ by Fitch Ratings Limited and the long-term obligations of the Bank are rated AA by Standard & Poor's, Aa1 by Moody's and AA+ by Fitch Ratings Limited.

From 2005, the Group will prepare financial statements on the basis of IFRS. Based on the unaudited interim financial information as at and for the period ended 30 June 2005, prepared in accordance with IFRS, the Group had total assets of £850,388 million, total net loans and advances of £272,348 million, total deposits of £302,253 million, and total shareholders' equity of £22,050 million (including minority interests of £200 million). The profit before tax of the Group for the period ended 30 June 2005 was £2,690 million after charging an impairment loss on loans and advances and other credit risk provisions of £706 million.

The Group's audited financial statements for the year ended 31 December 2004 were prepared in accordance with U.K. GAAP. On this basis, as at 31 December 2004, the Group had total assets of £522,253 million, total net loans and advances of £330,077 million, total deposits of £328,742 million and shareholders' funds of £18,271 million (including £690 million of non-equity funds). The profit before tax under U.K. GAAP for the year ended 31 December 2004 was £4,612 million after charging net provisions for bad and doubtful debts of £1,091 million.

Other Developments

On 9 May 2005, the Bank announced the terms of an intended recommended acquisition of a majority stake of up to 60 per cent in Absa Group Limited ("**Absa**"). The acquisition comprised a scheme of arrangement and a partial offer to shareholders, which were interconditional. The Board of Directors of Absa voted unanimously to recommend the acquisition to shareholders. The South African Minister of Finance approved the Bank's application to acquire a majority stake in Absa, and the acquisition has been endorsed by Absa's black economic empowerment partner.

The Absa transaction closed on 27 July 2005. At closing, the Bank owned 53.96 per cent of Absa and has subsequently acquired further shares in Absa taking its ordinary shareholding to over 56.0 per cent, which affords the Bank voting control. The aggregate consideration for the investment in Absa was R31,087 million (approximately £2.6 billion at an exchange rate of R11.96 = £1.00 as at 30 June 2005).

The Absa transaction was financed from a combination of available resources and preference share finance.

On 11 July 2005, the Bank announced that it had acquired the wealth business of ING Securities Bank (France), consisting of ING Ferri and ING Private Banking on 1 July 2005. At 31 December 2004, the combined business of ING Ferri and ING Private Banking had net assets of approximately €10 million and assets under management of approximately €2.7 billion.

The Office of Fair Trading ("**OFT**") has been investigating the level of default charges applied by the credit card industry in the United Kingdom since October 2003. These are fees charged when a customer pays late or goes over their credit limit. Barclaycard, along with other credit card issuers, has been cooperating with the investigation. The OFT issued a press release on 26 July 2005 stating that their provisional conclusion was that these fees are excessive and need to be reduced to be fair. The OFT have given Barclaycard, and seven other credit card companies, three months to provide suitable undertakings regarding the basis of future default charges or otherwise to address the concerns of the OFT. The Bank is considering the impact of the provisional finding on the credit card industry and Barclaycard, including steps to mitigate any financial impact for shareholders. The Bank will continue to work with the OFT to address its concerns.

Capitalisation and Indebtedness

The following table sets out the authorised and issued share capital of Barclays Bank PLC and the Group's total shareholders' equity, indebtedness and contingent liabilities as at 30th June 2005. The information has been prepared in accordance with the International Financial Reporting Standards (IFRS).

	<i>As at 30th June, 2005</i>
	<u> '000</u>
Share capital of Barclays Bank PLC	
Authorised ordinary share capital – shares of £1 each	3,000,000
Authorised preference share capital – shares of £100 each	400
Authorised preference share capital – shares of £1 each	1
Authorised preference share capital – shares of U.S.\$100 each	400
Authorised preference share capital – shares of U.S.\$0.25 each	80,000
Authorised preference share capital – shares of €100 each	400
Ordinary shares – issued and fully paid shares of £1 each	2,311,361
Preference shares – issued and fully paid shares of £100 each	75
Preference shares – issued and fully paid shares of £1 each	1
Preference shares – issued and fully paid shares of U.S.\$100 each	100
Preference shares – issued and fully paid shares of U.S.\$0.25 each	—
Preference shares – issued and fully paid shares of €100 each	240
	<i>£ million</i>
Group total shareholders' equity	
Called up share capital	2,341
Share premium	8,786
Available for sale reserve	400
Cash flow hedging reserve	328
Other shareholders' funds	2,551
Translation reserve	(35)
Retained earnings	7,479
Shareholders' equity (excluding minority interests)	21,850
Minority interests ⁽¹⁾	200
Total Shareholders' equity	22,050
Group indebtedness ⁽²⁾	
Subordinated liabilities	
Undated loan capital — non-convertible	4,366
Dated loan capital — convertible to preference shares	13
Dated loan capital — non-convertible ⁽³⁾	6,930
Debt securities in issue ⁽⁴⁾	93,328
Total indebtedness	104,637
Total capitalisation and indebtedness	126,687
Group contingent liabilities	
Acceptances and endorsements	271
Assets pledged as collateral security	35,703
Other contingent liabilities	8,503
Total contingent liabilities	44,477

Notes:

- (1) On the basis of the Group's internal unaudited IFRS figures, minority interests had increased to £1.2 billion as at 31st October 2005. This increase primarily arose as a result of the transaction to acquire a majority stake in Absa Group Limited (see page 19).

As at 30th June,
2005
'000

- (2) "Group indebtedness" includes interest accrued as at 30th June 2005 in accordance with International Financial Reporting Standards.
- (3) On September 9th 2005, Barclays Bank PLC issued \$500,000,000 Callable Floating Rate Subordinated Notes due 2017.
- (4) On the basis of Barclays Bank PLC's internal unaudited IFRS figures, the amount of debt securities in issue increased from £93 billion to approximately £106 billion between 30th June 2005 and 31st October 2005. This represents an increase of approximately 14%.

Directors

The Directors of the Bank, each of whose business address is 1 Churchill Place, London E14 5HP, United Kingdom, their functions in relation to the Group and their principal outside activities (if any) of significance to the Group are as follows:

Name	Function(s) within the Group	Principal outside activity
Matthew Barrett	Chairman	Member of the Federal Reserve Bank of New York's International Advisory Committee
John Varley	Group Chief Executive	—
Naguib Kheraj	Group Finance Director	—
Robert Diamond Jr.	President, Barclays PLC Chief Executive, Investment Banking and Investment Management	—
Gary Hoffman	Chairman, Barclaycard Chairman, UK Banking	—
David Roberts	Chief Executive, International Retail and Commercial Banking	—
Sir Nigel Rudd DL	Deputy Chairman, Non-Executive Director	Chairman, Pilkington PLC, Chairman, Pendragon PLC, Chairman, Boots Group PLC
Sir David Arculus	Non-Executive Director	Chairman, O2 plc
Sir Richard Broadbent	Senior Independent Director	Chairman, Arriva plc
Leigh Clifford	Non-Executive Director	Chief Executive, Rio Tinto PLC
Dr. Daniel Cronjé	Non-executive Director and Chairman of Absa Group Limited	
Professor Dame Sandra Dawson	Non-Executive Director	KPMG Professor of Management Studies at the University of Cambridge
Sir Andrew Likierman	Non-Executive Director	Professor of Management Practice in Accounting, London Business School, Non-Executive Director, Bank of England, Chairman, MORI Group Limited
Stephen Russell	Non-Executive Director	—
Robert Steel	Non-Executive Director	Senior Fellow, Harvard University's John F Kennedy School of Government
John Sunderland	Non-Executive Director	Chairman, Cadbury Schweppes plc

Employees

As at 30 June 2005, the Group employed 78,800 staff worldwide.

No potential conflicts of interest exist between any duties to the Bank of the Board of Directors listed above and their private interests or other duties in respect of their management roles.

INFORMATION RELATING TO BCCL

BCCL was incorporated in the Cayman Islands on 24 July 1989 for an unlimited duration and registered on 26 July 1989. BCCL operates under Cayman Islands law with limited liability. BCCL's registered office is at the offices of Barclays Private Bank & Trust (Cayman) Limited, PO Box 487, Grand Cayman, Cayman Islands, West Indies. Its registration number is 32968. BCCL is a wholly-owned direct subsidiary of the Bank.

BCCL was established for the purpose of issuing notes, warrants and buying and selling options. It is the policy of the Directors to hedge fully the liabilities of BCCL arising under notes and warrants issued by BCCL.

BCCL is resident for tax purposes in the United Kingdom.

Share Capital

The following table sets out the capitalisation of BCCL as at the date of this Base Prospectus.

Authorised: 1,000 Ordinary shares of \$10 each
100,000,000,000 Preference Shares
of £0.01 each

Allotted and fully paid: 10 Ordinary shares of \$10 each

As at the date hereof, BCCL does not have any loan capital outstanding or created but unissued, term loans, any other borrowings or indebtedness in the nature of borrowing, bank overdrafts or liabilities under acceptances, acceptance credits, hire purchase commitments, obligations under finance leases, guarantees or other contingent liabilities.

Directors

The Board of Directors of BCCL consists of:

<i>Name</i>	<i>Function within BCCL</i>	<i>Principal Occupation</i>
Eric Didier Bommensath	Director	Investment Banker
Jerry Del Missier	Director	Investment Banker
Dixit Joshi	Director	Investment Banker
Richard Ho	Director	Investment Banker
Kate Craven	Director	Investment Banker
Giles Rothwell	Director	Investment Banker

The business address of all the above Directors is 5 The North Colonnade, Canary Wharf, London E14 4BB.

No potential conflicts of interest exist between any duties to BCCL of the Directors listed above and their private interests or other duties in respect of their management roles.

Ultimate Parent Company

The parent undertaking of the smallest group that presents group accounts within which BCCL's accounts are consolidated is the Bank. The ultimate holding company and the parent company of the largest group that presents group accounts within which BCCL's accounts are consolidated is Barclays PLC. Both companies are incorporated

in England and Wales. The statutory accounts of both the Bank and Barclays PLC are available from the Company Secretary, One Churchill Place, London E14 5HP.

Related Parties

In the ordinary course of business, the Issuers participate in transactions with parent and fellow subsidiary companies. In accordance with the exemption offered by Financial Reporting Standard No. 8 "Related Party Disclosures", such transactions are not disclosed, as the consolidated audited financial statements of the Group are publicly available.

The Guarantee of the Bank

The Bank has entered into a Master Deed Poll Guarantee dated on or about 16 December 2005 under which the Bank undertakes unconditionally and irrevocably to guarantee the proper, punctual and complete performance by BCCL of its obligations under all Notes issued by BCCL. The Bank undertakes to pay or procure the making of any payment in cash in the currency in which the particular Notes are expressed to be payable in accordance with the terms and conditions thereof upon demand being made under the Guarantee by the relevant Noteholder.

Information about the Bank is set out elsewhere in this document.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached ("**Bearer Notes**"), or registered form, without interest coupons attached ("**Registered Notes**").

Bearer Notes

Each Series of Bearer Notes will be initially issued in the form of a temporary bearer global note (a "**Temporary Bearer Global Note**") which will be delivered on or prior to the original issue date of the Series to a common depositary (the "**Common Depositary**") for Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not United States persons or persons who have purchased for resale to any United States person, as required by US Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Issue and Paying Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein for interests in a permanent bearer global note (a "**Permanent Bearer Global Note**") of the same Series against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Bearer Global Note without any requirement for certification.

A Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 24) has occurred and is continuing, or (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 16 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg, as applicable, (acting on the instructions of any holder of an interest in such Permanent Bearer Global Notes) may give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on each Bearer Note (other than each Temporary Bearer Global Note) that has an original maturity of more than 365 days and on all interest coupons and talons relating to such 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. "

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

Notes that are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

Registered Notes of each Series which are sold in an "offshore transaction" within the meaning of Regulation S under the Securities Act ("**Unrestricted Notes**") will be represented by interests in a Regulation S Global Note, without interest coupons, deposited with, and registered in the name of, a nominee for a common depositary of Euroclear and Clearstream, Luxembourg on its issue date.

Registered Notes of such Series resold pursuant to Rule 144A ("**Restricted Notes**") will be represented by a DTC Restricted Global Note, without interest coupons, deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**") on its issue date.

Payments of principal, interest and any other amount in respect of a Regulation S Global Note or DTC Restricted Note (together, the "**Registered Global Notes**") will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 25) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

A Registered Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes only upon the occurrence of an Exchange Event. The relevant Issuer will give notice promptly to Noteholders in accordance with Condition 16 if an Exchange Event occurs.

General

Pursuant to the Master Issue and Paying Agency Agreement (as defined under "Terms and Conditions of the Notes" below), the Issue and Paying Agent shall arrange that, where a further Tranche of Notes is issued that is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code, ISIN and CUSIP that are different from the common code, ISIN and CUSIP assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period (defined in "Terms and Conditions of the Notes") applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC each person (other than Euroclear or Clearstream, Luxembourg or DTC) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg or DTC as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or DTC 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 its 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 its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

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

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 24. In such circumstances, where any Note is represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the terms and conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note, then holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream, Luxembourg and DTC on and subject to the terms of a deed of covenant (the "**Deed of Covenant**") dated on or about 16 December 2005 and executed by the Issuer.

PRO FORMA FINAL TERMS FOR STRUCTURED NOTES

The Final Terms for each Series of Notes will include such of the following information as is applicable with respect to such Notes and such other information as may be required from time to time by the Relevant Stock Exchange:

PART A

Parties

Issuer:	[Barclays Bank PLC] [Barclays Capital (Cayman) Limited]
Guarantor:	[Barclays Bank PLC] [N/A]
Manager[s]:	[Barclays Bank PLC] [and] [Other (<i>specify</i>)]
Determination Agent:	[Barclays Capital Securities Limited] [Barclays Bank PLC] [Other (<i>specify</i>)]
Issue and Paying Agent:	JPMorgan Chase Bank, N.A.

Insert the following paragraph for Bearer Notes: [THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND THE NOTES COMPRISE BEARER NOTES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THIS FINAL TERMS HAS BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE NOTES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE NOTES OF THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE NOTES AND DISTRIBUTION OF THIS FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS] SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS].

Insert the following paragraphs for Registered Notes: [THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THIS FINAL TERMS HAS BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF [THE NOTES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S][AND][WITHIN THE UNITED STATES TO "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")][AND FOR LISTING OF THE NOTES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN]. [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A]. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE NOTES AND DISTRIBUTION OF THIS FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS], SEE "PURCHASE AND SALE [OF REGISTERED NOTES]" IN THE [SUPPLEMENTAL] PROSPECTUS [AND "TRANSFER RESTRICTIONS" IN THE SUPPLEMENTAL PROSPECTUS].

EACH PURCHASER OF REGISTERED NOTES WILL BE DEEMED, BY ITS ACCEPTANCE OF PURCHASE OF ANY SUCH REGISTERED NOTES, TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF SUCH REGISTERED NOTES AS SET OUT IN "TRANSFER RESTRICTIONS FOR REGISTERED NOTES".

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES

HAS PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR THE ADEQUACY OF THIS FINAL TERMS OR THE BASE PROSPECTUS [OR THE SUPPLEMENTAL PROSPECTUS]. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IIN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.]

Provisions relating to the Notes

1. Title of the Notes: *[Description of Note]*
2. Series: []
3. Currency of the Notes: []
4. Aggregate principal amount of the Notes: []
5. Denomination[s] and number of Notes: [] ([] Notes)
6. Form of Notes: Bearer/Registered Notes
[For Bearer Notes, insert;
Temporary Global Note,
exchangeable for a Permanent Global
Note.]
[For Registered Notes, insert;
Regulation S Global Note; and/or
DTC Restricted Global Note
available on Issue Date.]
7. Notes in definitive form to be issued: []
8. Issue Date of the Notes: []
9. Issue Price of the Notes: [] per cent. of par
10. Relevant Stock Exchange[s]: [London] [N/A]
11. Integral multiples of Notes required for transfer: [] [N/A]

12. Type of Notes and relevant Securities Note: [Equity Linked Notes]
 [Single Index Notes]
 [Equity Basket Notes]
 [Basket of Indices Notes]
 [Currency Linked Notes]
 [Credit Linked Notes]
 [Commodity Linked Notes]
 [Non-Standard]

Provisions relating to interest (if any) payable on the Note

13. Interest payable on the Note: [Yes] [No]
14. Interest Basis: [Fixed Rate Note]
 [Floating Rate Note]
 [Zero Coupon]
15. Interest Rate[s] - Fixed [[] per cent. per annum payable
 [on the Maturity Date / annually /
 semi-annually / quarterly / monthly]
 in arrear] [N/A]
- Floating [Screen Rate Determination] [ISDA
 Determination] [Other (*specify other
 basis for interest rate*)] [N/A]
16. Screen Rate Determination: [As specified in the Conditions]
 [N/A] (*if not applicable, delete the
 remaining sub-paragraphs of this
 paragraph*)
- (i) Reference Rate: [LIBOR] [EURIBOR] [Other
 (*specify*)]
- (ii) Interest Determination Date: [As specified in the Conditions]
 []
- (iii) Relevant Screen Page: []
17. ISDA Determination: [] [N/A] (*if not applicable, delete
 the remaining sub-paragraphs of this
 paragraph*)
- (i) Floating Rate Option: []
- (ii) Designated Maturity: []
- (iii) Reset Date: []
18. Amortisation Yield: [] [N/A]
19. Fixed Coupon Amount: [] [N/A]
20. Broken Coupon Amount: [] [N/A]
21. Minimum/Maximum Rates of Interest: [] [N/A]
22. Interest Payment Date[s]: [[] in each year] [Maturity Date]
 [N/A]

23. Interest Commencement Date: [] [N/A]
24. Interest Period[s]: [As stated in Condition 25]
[Other (specify)]
25. Day Count Fraction: [Actual/Actual (ISMA)] [Actual/365]
[Actual/Actual] [Actual/365 (Fixed)]
[Actual/365 (Sterling)] [Actual/360]
[30/360] [360/360] [Bond Basis]
[30E/360] [30/360 Unadjusted Basis]
[Eurobond Basis]

Provisions regarding redemption

26. Exchange Rate Time: [] [N/A]
27. Maturity Date: [] (the "**Scheduled Maturity Date**") [subject as provided in Condition 5.1(d)(iv), (v) and (vi)]
(include for Credit Linked Notes)
28. Early Redemption following the occurrence of:
- (i) Issuer Tax Event: [Applicable] [N/A]
 - (ii) Change in Law: [Applicable] [N/A]
 - (iii) Hedging Disruption: [Applicable] [N/A]
 - (iv) Increased Cost of Hedging: [Applicable] [N/A]
 - (v) Asian Change in law: [Applicable.] [N/A]
 - (vi) Asian Hedging Disruption [Applicable] [N/A][if Applicable, specify Affected Jurisdiction(s)]
 - (vii) Asian Increased Cost of Hedging [Applicable] [N/A][if Applicable, specify Affected Jurisdiction(s)]
29. Early Redemption following the occurrence of a Guarantor Tax Event: [Applicable] [N/A]
30. Call Option: [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Early Redemption Date[s]: []
 - (ii) Early Redemption Amount[s] and method, if any, of calculation of such amount[s]: []
 - (iii) Notice period: [As stated in Condition 6]
[Other (specify)]
31. Put Option: [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Early Redemption Date[s]: []

	(ii) Early Redemption Amount[s] and method, if any, of calculation of such amount[s]:	[]
	(iii) Notice period:	[As stated in Condition 6] [Other (<i>specify</i>)]
	(iv) Daily Maximum Amount:	[] [N/A]
32.	Valuation Date:	[]
33.	Valuation Time:	[]
34.	Market Disruption Event:	[Applicable] [N/A] (<i>if not applicable, delete the remaining subparagraphs of this paragraph</i>)
	(i) Trading Disruption:	[Applicable] [N/A]
	(iii) Exchange Disruption:	[Applicable] [N/A]
	(iii) Early Closure:	[Applicable] [N/A]
35.	(i) Averaging Dates:	[]
	(ii) Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
36.	Redemption Amount and the currency in which it will be paid:	[]
37.	Early Redemption Amount and the currency in which it will be paid:	[]
38.	The maximum and minimum number of Business Days prior to the Early Redemption Date on which Issuer Redemption Notices and Special Redemption Notices must be given by the Issuer:	[2, as stated in the Base Prospectus] [Other (<i>specify</i>)]
39.	Time for receipt of Early Redemption Notice and/or Noteholder's Notice:	[10:00 am London time, as stated in the Base Prospectus] [Other (<i>specify</i>)]
40.	Redemption Notice Time:	[10:00 am London time, as stated in the Base Prospectus] [10:00 am Brussels time (<i>in the case of Euroclear Bank</i>)] [11:00 am Brussels time (<i>if delivered by EUCLID</i>)] [10:00 am Luxembourg time (<i>in the case of Clearstream, Luxembourg</i>)]
41.	Procedures for giving Issuer Redemption Notice if other than as specified in Condition 6.3:	[] [N/A]
42.	Procedure for giving Special Redemption Notice if other than as specified in Condition 6.3:	[] [N/A]

43.	Basis for selecting Notes where Daily Maximum Amount is exceeded if other than on a pro rata basis:	[] [N/A]
44.	Additional provisions relating to the redemption of the Notes:	[] [N/A]
45.	Equity Linked Notes, Equity Basket Notes:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Whether the Notes relate to a single equity security or a basket of equity securities (each an " Underlying Security ") and the identity of the relevant issuer(s) and class of the Underlying Security (each an " Underlying Company "):	[Single Underlying Security] [Basket of Underlying Securities] <i>(If the Notes are listed on an Exchange, give or annex details of the Underlying Security(ies) and Underlying Company(ies))</i>
	(ii) Whether redemption of the Notes will be by (a) Cash Settlement or (b) in certain circumstances depending on the closing price of the Underlying Securities, Cash Settlement or Physical Delivery at the option of the Issuer:	[Cash Settlement] [In the event of describe triggers linked to the closing price of the Underlying Securities , Cash Settlement or Physical Delivery at the option of the Issuer]
	(iii) Exchange[s]:	[]
	(iv) Related Exchange[s]:	[] [All Relevant Stock Exchanges]
	(v) Exchange Rate:	[Insert Details] [N/A]
	(vi) Weighting for each Underlying Security comprising the basket:	[Insert details] [N/A]
	(vii) Delivery provisions for Underlying Securities (including details of who is to make such delivery):	[As stated in the Conditions] [Other <i>(specify)</i>] <i>(only applicable where Physical Delivery is, depending on the closing price of the Underlying Securities, available at the option of the Issuer)</i>
	(viii) Substitution of Shares	[Applicable] [N/A]
	(ix) Physical Settlement	[Applicable / N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	– legislation under which the Underlying Securities are created	[]
	– form of the Underlying Securities:	bearer/registered form certificate/uncertificated form [If in uncertificated form, specify entity responsible for record keeping]
	– currency of the Underlying Securities	[]
	– description of the rights, including limitations thereon, attached to the Underlying Securities	[dividend rights] [voting rights] [pre-emption rights]

		[right to share of profits]
		[share in surplus of liquidation]
		[redemption/conversion rights]
	– restrictions, if any, on the free transferability of the Underlying Securities	[]
	– details of existence of any mandatory takeover bids/squeeze-out/sell-out rules	[]
	– details of public takeover bids by third parties during the previous and current financial year	[if applicable, terms and outcome to be specified]
(x)	Other terms or special conditions:	[]
46.	Single Index Notes, Basket of Indices Notes:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Whether the Notes relate to a single index or a basket of indices and the identity of the relevant Index/Indices and details of the relevant sponsors:	[Single Index] [Basket of Indices] <i>(Give or annex details)</i>
	(ii) Exchange[s]:	[]
	(iii) Related Exchange[s]:	[] [All Relevant Stock Exchanges]
	(iv) Weighting for each Index comprising the basket:	[] <i>(Insert details)</i> [N/A]
	(v) Other terms or special conditions:	[]
47.	Currency Linked Notes:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Relevant Currency:	[]
	(ii) Other terms or special conditions:	[]
48.	Credit Linked Notes:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Redemption Amount:	[] <i>(express per Denomination of each Note)</i>
	(ii) Trade Date:	[]
	(iii) Scheduled Maturity Date:	[]
	(iv) Calculation Agent City:	[]
	(v) Reference Entity[ies]:	[]
	(vi) Reference Obligation[s]:	[]
	[The obligation[s] identified as follows:	

Primary Obligor:	[]
Guarantor:	[]
Maturity:	[]
Coupon:	[]
CUSIP/ISIN:	[]
(vii) All Guarantees:	[Applicable] [N/A]
(viii) Credit Events:	[Bankruptcy] [Failure to Pay] [Grace Period Extension [Applicable / Not Applicable] <i>[If applicable:</i> Grace Period: []] [Obligation Default] [Obligation Acceleration] [Repudiation/Moratorium] [Restructuring] - [Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable / Not Applicable]] - [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable / Not Applicable]] [other (<i>specify</i>)]
Default Requirement:	[]
Payment Requirement:	[]
(ix) Notice Delivery Period:	[]
(x) Conditions to Settlement:	Notice of Publicly Available Information [Applicable / Not Applicable] [If Applicable: Public Source(s): [] Specified Number: []
(xi) Obligation[s]:	
Obligation Category (<i>select one only</i>)	[Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]

Obligation Characteristics

(select all of which apply)

[Not Subordinated]
[Specified Currency:
(specify currency)]
[Not Sovereign Lender]
[Not Domestic Currency:]
[Domestic Currency means:
(specify currency)]
[Not Domestic Law]
[Listed]
[Not Domestic Issuance]

Additional Obligation[s] []

(xii) Excluded Obligation[s]: []

(xiii) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Cash Settlement or Physical Delivery at the option of the Issuer: [Cash Settlement] [Cash Settlement or Physical Delivery at the option of the Issuer]

(xiv) Accrual of Interest Upon Credit Event: [Applicable] [N/A]

(xv) Merger Event Redemption Date: []

Terms relating to Cash Settlement

(xvi) Credit Event Redemption Amount: [Express per each Note Denomination]

(xvii) Credit Event Redemption Date: [] Business Days

(xviii) Valuation Date: [Single Valuation Date:
[] Business Days]
[Multiple Valuation Dates:
[] Business Days; and each
[] Business Days thereafter.
Number of Valuation Dates: []]

(xix) Valuation Time: []

(xx) Quotation Method: [Bid] [Offer] [Mid-market]

(xxi) Quotation Amount: [] [Representative Amount]

(xxii) Dealers: []

(xxiii) Quotations: [Include Accrued Interest]
[Exclude Accrued Interest]

(xxiv) Valuation Method: [Market/Highest]
[Average Market/Highest/Average Highest]
[Blended Market/Blended Highest]
[Average Blended Market/Average Blended Highest]

(xxv) Other terms or special conditions: []

Terms relating to Physical Delivery

- (xxvi) Physical Settlement Period: Business Days
- (xxvii) Deliverable Amount: [Include Accrued Interest/Exclude Accrued Interest]
- (xxviii) Settlement Currency:
- (xxix) Deliverable Obligations:
- Deliverable Obligation Category
(select one only)
- [Payment]
 [Borrowed Money]
 [Reference Obligations Only]
 [Bond]
 [Loan]
 [Bond or Loan]
- Deliverable Obligation Characteristics
(select all of which apply)
- [Not Subordinated]
 [Specified Currency:
 (specify currency)
 [Standard Specified Currencies]
 [Not Sovereign Lender]
 [Not Domestic Currency]
 [Domestic Currency means:
 (specify currency)]
 [Not Domestic Law]
 [Listed]
 [Not Contingent]
 [Not Domestic Issuance]
 [Assignable Loan]
 [Consent Required Loan]
 [Direct Loan Participation]
 [Qualifying Participation
Seller: (insert details)]
 [Transferable]
 [Maximum Maturity:]
 [Accelerated or Matured]
 [Not Bearer]
- Additional Deliverable Obligation[s]
- (xxx) Excluded Deliverable Obligation[s]:
- (xxxi) Indicative Quotations: [N/A]
- (xxxii) Cut-off Date:
- (xxxiii) Delivery provisions for the Deliverable Amount (including details of who is to make such delivery) if different from Terms and Conditions: [As stated in the Base Prospectus]
 [Other (specify)]
- (xxxiv) Other terms or special conditions:
49. Commodity Linked Notes: [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Trade Date:

- (ii) Relevant Commodity/ies or Commodity Index/Indices: []
- (iii) Commodity Reference Price: [*specify Commodity Reference Price*]
- (iv) Specified Price: [[Bid] [Asked] [Average of high and low prices]] [Final settlement price]]
 [Morning fixing]
 [Other (*specify*)]
 (*if appropriate, specify time as of which the price will be determined*)
- (v) Delivery Date: [] (*specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.*)
- (vi) Pricing Date: [], subject to adjustment in accordance with the Commodity Business Day Convention.
 Common Pricing: [Applicable] [Not Applicable]
 (*include only if Basket of Commodities*)
- (vii) Commodity Market Disruption Events: [As stated in Condition 7.7 of the Base Prospectus] [Other] (*specify any applicable additional Commodity Market Disruption Events*)
 Disruption Fallback(s): [As stated in Condition 7.7 of the Base Prospectus] [Other] (*specify any applicable additional Disruption Fallback(s)*)
- (viii) Commodity Business Day(s): []
- (ix) Commodity Business Day Convention: [Following Business Day Convention]
 [Modified Following Business Day Convention]
 [Nearest Business Day Convention]
 [Preceding Business Day Convention]
- (x) Other Terms and Conditions: []

Provisions relating to settlement

50. Settlement type: [Cash only] [Cash or Physical Settlement at the Issuer's option, provided certain conditions are met with respect to the closing price of the Underlying Security]
51. Board Lot: [Applicable] [N/A]
52. Currency in which cash settlement will be made []

53. Early Redemption Payment Date: [As defined in Condition 25]
[Other (*specify*)]
54. Clearing System: []

[For the purposes of sections 6.3(b)(i)(c), 6.3(b)(ii)(D), 6.5(a)(iv), 6.6(a) and the definition of "Transfer Documentation", Relevant Clearing System shall mean [CCASS]
55. Physical Delivery Date: [As defined in Condition 25]
[Other (*specify*)]

Definitions

56. Definition of Business Day: [As defined in Condition 25] [[and, in all cases,] []]
57. Definition of Exchange Business Day: [As defined in Condition 25]
[Other (*specify*)]
58. Definition of Maturity Notice Time: [As defined in Condition 25]
[Other (*specify*)]
59. Definition of Issuer Tax Event: [As defined in Condition 12]
[Other (*specify*)]
60. Definition of Guarantor Tax Event: [As defined in Condition 12]
[Other (*specify*)]

Selling restrictions and provisions relating to certification

61. Applicable US Commodities Restrictions: [N/A]
[Type [1] [2] (*for Notes issued in accordance with Regulation S and/or for Rule 144A Notes*)]
62. Non-US Selling Restrictions: [As described in the Base Prospectus]
[Other (*specify - insert Jurisdiction-Specific Selling Restrictions*)]
63. Certification of non-US status: [Applicable] [N/A]

General

64. Applicable Business Day Convention: [Following Business Day Convention]
[Modified Following Business Day Convention]
[Nearest Business Day Convention]
[Preceding Business Day Convention]

65. Relevant Clearing System[s], Rules and appropriate codes: [Euroclear]
[Clearstream, Luxembourg]
[DTC]
ISIN: []
Common Code: []
CUSIP: []
66. (i) Reuters page(s) (or other reference source) from which the exchange rate for currency conversion will be taken when calculating the Redemption Amount and/or the Early Redemption Amount, or [] [N/A]
- (ii) the Reference Bank or Central Bank quoting the exchange rate for conversion pursuant to Condition 6.9(a) [] [N/A]
67. Any modifications to the Master Subscription Agreement and/or Master Issue and Paying Agency Agreement: [] [N/A]
68. The offices (if any) in addition to the principal office of the Issue and Paying Agent where (i) the latest annual report and accounts, of the Issuer, Guarantor and semi-annual interim reports of the Guarantor and (ii) copies of the Master Issue and Paying Agency Agreement and the Base Prospectus and these Final Terms will be available in English for holders of the Notes during the term of the Notes: [] [N/A]
69. Any Conditions additional to, or modified from, those set forth in the Base Prospectus: [] [N/A]
70. (i) The sterling equivalent of the principal amount of the Notes. £[]
- (ii) The applicable exchange rate. £1 = []

PART B - OTHER INFORMATION

1. LISTING

(i) Listing	[London/other (specify)/None]
(ii) Admission to trading:	[Application has been made for the Notes to be admitted to trading on [] with effect from [].] [Not Applicable.] (Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)
(iii) [Estimate of total expenses related to admission to trading	[?]]*

2. RATINGS

Ratings:	The Notes to be issued have been rated:
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* Only applicable to Tranches of Notes with a denomination of at least €50,000 or equivalent in other currencies.

	[S & P: []] [Moody's: []] [[Other]: []]
	[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.] [†]
	(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. **[NOTIFICATION]**

The Financial Services Authority [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

4. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in "Purchase and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

5. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer	[]
	(See "Use of Proceeds" wording in Base Prospectus - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)
[(ii) Estimated net proceeds:	?
	(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)
[(iii) Estimated total expenses:	? [include breakdown of expenses]
	([If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only] [‡] [Only] necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above

[†] Only applicable to Tranches of Notes with a denomination of less than €50,000 or equivalent in other currencies.

[‡] Only applicable to Tranches of Notes with a denomination of less than €50,000 or equivalent in other currencies.

	where disclosure is included at (i) above.)
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6. **[FIXED RATE NOTES ONLY - YIELD**

Indication of yield:	?
	[Calculated as [include details of method of calculation in summary form] on the Issue Date.] ⁴
	[As set out above, the] ⁴ [The] yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

7. **[[FLOATING RATE NOTES ONLY - HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Telerate].]⁴

8. **[Index-Linked or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE], EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS]⁴ AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]⁴ [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]

9. **Dual currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE [AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT]⁴**

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]⁴

10. **OPERATIONAL INFORMATION**

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Societe Anonyme and the relevant identification number(s):	[Not Applicable/give name(s) and number(s)]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agents(s) (if any):	[]

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes which (subject to completion and amendment) will be incorporated into each Global Note and each Note issued in definitive form, as the case may be. The applicable Final Terms in relation to any Series 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 condition, for the purposes of such Notes and will be incorporated accordingly into the relevant Global Note(s) or definitive Note.

The Notes may be Fixed Rate Notes, Floating Rate Notes or Zero Coupon Notes, or a combination of the foregoing depending on the Interest Basis specified in the applicable supplement.

The Notes may be Equity Linked Notes, Equity Basket Notes, Single Index Notes, Basket of Indices Notes, Currency Linked Notes, Credit Linked Notes, Commodity Linked Notes or Non-Standard Notes, or a combination of the foregoing, depending on the Type of Note specified in the applicable Final Terms.

Although many of the Conditions contained in this Base Prospectus are applicable to all of the types of Notes that may be issued by the Issuers under the Programme, due to the diverse nature and characteristics of the different types of Notes, some of the Conditions will not be applicable, whether in whole or in part, to certain types of Notes. The application of any Condition to a particular type of Note may be altered and the relevant Final Terms may specify additional terms and conditions which apply to the relevant Notes. References to the "Issuer" in these Conditions are to the Issuer of the relevant series of Notes as specified on the face of the relevant Notes.

1. FORM, DENOMINATION, TITLE AND TRANSFER

1.1 Form

The Notes will be issued in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered. Notes in bearer form may not be exchanged for Notes in registered form and *vice versa*.

Notes in definitive form will not be issued unless otherwise specified in the applicable Final Terms, which will contain the terms and conditions to be set out on each Note.

If a Global Note is lost, stolen or destroyed, it shall, upon satisfactory evidence of, and indemnity for, such loss, theft or destruction being given to the Issuer and the Paying Agents, become void, and a duly executed replacement Global Note will be delivered by the Issuer to the Common Depository or nominee, as the case may be, of the Relevant Clearing System.

The Notes will bear the legends as specified in "Purchase and Sale — Selling Restrictions" below.

1.2 Denomination

The aggregate principal amount, currency and denomination of the Notes of any Series will be specified in the applicable Final Terms.

1.3 Title

The Issuer shall (except as otherwise required by law) deem and treat the bearer of any Note in bearer form or coupon and the registered holder of any Registered Note as the absolute owner thereof for all purposes but, in the case of any Global Note, without prejudice to the provisions set out below.

For so long as any of the Notes are represented by a Global Note held on behalf of a common depository for, or registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg and/or registered in the name of a nominee of DTC, each person (other than Euroclear or Clearstream, Luxembourg or DTC) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg or of DTC as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or DTC as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of

such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note in bearer form or the registered holder of the relevant Global Note in registered form 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 that 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, Luxembourg or DTC, as the case may be. References to Euroclear and/or Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

The Noteholders, determined as aforesaid, shall be treated for all purposes by the Issuer, the Guarantor (where BCCL is the Issuer), the Paying Agents, the Relevant Clearing System and all other persons dealing with such Noteholders as the absolute holders and owners of their respective Notes and no person shall be held liable for so treating such persons.

In the event that (i) payment of any Redemption Amount, Early Redemption Amount or other amount due and payable by the Issuer (as the case may be) or delivery of the Underlying Securities or the Deliverable Amount (as the case may be) has not occurred within 40 Business Days commencing on the Maturity Date or the Early Redemption Payment Date (as the case may be) or, where the Underlying Securities or the Deliverable Amount are to be delivered, the Security Delivery Date or (ii) Euroclear or Clearstream, Luxembourg or DTC (if the Notes of the relevant series are held in any such Clearing System) is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to cease business permanently, then the Global Note shall become void at 8:00 pm (London time) on such fortieth Business Day or fourteenth day or upon such cessation, as the case may be, and the Noteholders shall have no more rights under the Global Note except pursuant to the Deed of Covenant by virtue of which the Noteholders will have certain direct rights against the relevant Issuer.

1.4 Transfer of Notes in bearer form

Subject as set out above, title to the Notes in bearer form and coupons will pass by delivery.

1.5 Transfers of Registered Notes

(a) *Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Global Notes in registered form ("**Registered Global Notes**") will be effected by Euroclear or Clearstream, Luxembourg or DTC, as the case may be and, in turn, by other participants and, if appropriate, by indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg or DTC, as the case may be, and in accordance with the terms and conditions specified in the Master Issue and Paying Agency Agreement.

(b) *Notes in definitive registered form*

Upon the terms and subject to the conditions set forth in the Master Issue and Paying Agency Agreement, Notes in registered form represented by definitive certificates (which will be issued only following an Exchange Event) "*certificates*" may be transferred in whole or in part in the authorised denominations set out in the applicable Final Terms. In order to effect any such transfer (i) the holder or holders must (A) surrender the certificates for registration of the transfer of the holding of Notes represented by such certificates (or the relevant part thereof) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents

of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe.

Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new certificate of a like aggregate nominal amount of the Notes represented by such certificate (or the relevant part thereof) transferred.

In the case of the transfer of part only of a holding of Notes represented by a single certificate, a new certificate in respect of the balance of the part not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Upon the transfer, exchange or replacement of Notes represented by a certificate, or upon specific request for removal of any legend thereon, the Registrar shall deliver only certificates or refuse to remove such legend, as the case may be, unless there is delivered to the Registrar or the Issuer such certifications, legal opinions and other information as the Registrar or the Issuer may reasonably require to confirm that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the Securities Act and any other applicable securities laws.

(c) *Registration of transfer upon partial redemption*

In the event of a partial redemption of Notes under Condition 5, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) *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 for any stamp duty, stamp duty reserve tax or any other Taxes or governmental charge that may be imposed in relation to any such transfer or registration.

2. STATUS

The Notes constitute unconditional, unsecured and unsubordinated obligations of the Issuer and rank equally among themselves and will rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application). The Notes do not evidence deposits of the Issuer and are not insured by any government agency.

3. GUARANTEE OF THE BANK

Subject to Condition 17.2, if the Issuer is BCCL the due and punctual payment of any amounts due by the Issuer under any Notes, including any liability to make a payment resulting from a default in any obligation to physically deliver Underlying Securities or the Deliverable Amount in respect of the Notes, is unconditionally and irrevocably guaranteed by the Guarantor pursuant to the Guarantee. Subject as aforesaid, the Guarantee constitutes a direct, unsecured and general obligation of the Guarantor and ranks and will rank equally with all other existing and future unsecured obligations of the Guarantor (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application).

4. INTEREST

If the applicable Final Terms so specify, the Notes of any Series will bear interest from the Interest Commencement Date at a rate or rates (the "**Interest Rate**") specified in, or determined in accordance with, the applicable Final Terms and such interest will be payable in respect of each Interest Period on the date

or dates (the "**Interest Payment Dates**" and each an "**Interest Payment Date**") specified in the applicable Final Terms. The interest payable on the Notes of any Series for a period other than a full Interest Period shall be determined in accordance with the applicable Final Terms.

4.1 Interest on Fixed Rate Notes

Each Fixed Rate Note will bear interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate specified in the relevant Final Terms. Interest will be payable in arrears on each Interest Payment Date in each year up to (and including) the Maturity Date.

If a Fixed Coupon Amount or a Broken Coupon Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will be the Fixed Coupon Amount or, if applicable, the Broken Coupon Amount specified, and in the case of the Broken Coupon Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

4.2 Interest on Floating Rate Notes

Each Floating Rate Note will bear interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate payable from time to time in respect of Floating Rate Notes determined in the manner specified in the applicable Final Terms.

(a) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (a), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Determination Agent under an interest rate swap transaction if the Determination Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

- (i) the Floating Rate Option is as specified in the applicable Final Terms;
- (ii) the Designated Maturity is a period specified in the applicable Final Terms; and
- (iii) the relevant Reset Date is either (A) if the applicable Floating Rate Option is based on LIBOR or EURIBOR, the first day of that Interest Period or (B) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (a), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "EURIBOR", "LIBOR" and "Reset Date" have the meanings given to those terms in the ISDA Definitions.

(b) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will, subject as provided below, be either:

- (i) the offered quotation; or
- (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.00005 being rounded upwards) of the offered quotations

(expressed as a percentage rate per annum) for the Reference Rate that appears (or the Reference Rates that appear) on the Relevant Screen Page as at 11:00am (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question (as specified in the applicable Final Terms or as defined below) plus or minus the

Margin (if any), all as determined by the Determination Agent. If five or more 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 Determination Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If, on any Interest Determination Date, no offered quotations for such Reference Rate so appear (or, in the case of clause (ii), if fewer than two offered quotations for such Reference Rate so appear), the Determination Agent will request appropriate quotations and will determine the arithmetic mean (rounded as aforesaid) of the rates at which deposits in the relevant currency are offered by, if the Reference Rate is LIBOR, four major banks in the London interbank market, selected by the Determination Agent, at approximately 11:00 am (London time) on the Interest Determination Date to leading banks in the London Interbank market or, if the Reference Rate is EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone, selected by the Determination Agent, at approximately 11:00 am (Brussels time) on the Interest Determination Date to leading banks in the Euro-zone interbank market, in each case for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time. If, on any Interest Determination Date, only two or three rates are so quoted, the Determination Agent will determine the arithmetic mean (rounded as aforesaid) of the rates so quoted.

The Rate of Interest applicable to such Note during each Interest Period will be the rate (or, as the case may be, the arithmetic mean) so determined plus or minus the Margin (if any). If the Determination Agent is unable to determine a rate (or, as the case may be, an arithmetic mean) in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to such Note during such Interest Period will be the rate (or, as the case may be, the arithmetic mean) last determined in relation to such Note in respect of a preceding Interest Period plus or minus, as the case may be, the Margin.

As used herein, "**Interest Determination Date**", means in respect of any Interest Period, the date falling such number (if any) of Banking Days in such cities as may be specified in the Final Terms prior to the first day of such Interest Period, or if none is specified:

- (i) in the case of Notes denominated in sterling, the first day of such Interest Period;
- (ii) in the case of Notes denominated in euro, the date falling two TARGET Business Days prior to the first day of such Interest Period; or
- (iii) in any other case, the date falling two London Banking Days prior to the first day of such Interest Period

"**Banking Day**" means, in respect of any city, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in that city.

"**Euro-zone**" means the region comprised of member states of the European Union that have adopted the euro as the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

"**Relevant Screen Page**" means such page as is specified in the applicable Final Terms on Reuters Markets 3000 or Telerate (or such other service or services as may be nominated as the information vendor for the purpose of displaying comparable rates in succession thereto) or such other equivalent information vending service as is so specified,

"**Target Business Day**" means any day on which the TARGET System is operating.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Interest Rate in respect of such Notes will be determined as provided in the applicable Final Terms.

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

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

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

4.3 Zero Coupon Notes

Zero Coupon Notes will not bear interest, provided however that where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable shall be the Redemption Amount specified in the relevant Final Terms. As from the Maturity Date, the Interest Rate for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield.

4.4 Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless upon due presentation payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) to the Relevant Date at the Interest Rate in the manner provided in this Condition 4.

4.5 Calculations

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (b) all figures shall be rounded to seven significant figures (with halves being rounded up) and (c) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, "*unit*" means the lowest amount of such currency that is available as legal tender in the country of such currency.

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the outstanding nominal amount of such Note, as specified in the relevant Final Terms, by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula).

4.6 Determination and Publication of Rates of Interest, Interest Amounts, Redemption Amounts and Early Redemption Amounts

As soon as practicable after the Valuation Time on each Valuation Date or such other time on such date on which the Issue and Paying Agent or, as applicable, the Determination Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, the Issue and Paying Agent or, as applicable, the Determination Agent shall determine such rate and calculate the Interest Amounts in respect of each Note for the relevant Interest Period and calculate the Redemption Amount, or any Early Redemption Amount, obtain any required quotation or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Early Redemption Amount to be notified to the Issue and Paying Agent, in the case of the Determination Agent, or the Issuer, each of the other Paying Agents and the Noteholders, in the case of the Issue and Paying Agent as soon as possible after their determination but in no event later than the fourth Business Day following such determination. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Issue and Paying Agent or, as applicable, the Determination Agent shall (in the absence of manifest error) be final and binding upon all parties.

4.7 Business Day Convention

- (a) If (1) there is no numerically corresponding day of the calendar month in which an Interest Payment Date should occur or (2) if any date (including, for the avoidance of doubt, an Interest Payment Date, Maturity Date or Early Redemption Date) which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then such date will be adjusted according to the Business Day Convention specified in the applicable Final Terms .
- (b) If any date applicable to a Commodity Linked Note that is specified to be subject to adjustment in accordance with a Commodity Business Day Convention would otherwise fall on a day that is not a Commodity Business Day, such date will be adjusted according to the Commodity Business Day Convention specified in the applicable Final Terms .
- (c) If the Business Day Convention or Commodity Business Day Convention is:
 - (i) the "***Following Business Day Convention***", such date shall be postponed to the next day that is a Business Day or a Commodity Business Day, as the case may be;
 - (ii) the "***Modified Following Business Day Convention***", such date shall be postponed to the next day that is a Business Day or a Commodity Business Day, as the case may be, unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or a Commodity Business Day, as the case may be;
 - (iii) the "***Nearest Business Day Convention***", such date will be the first preceding day that is a Business Day or a Commodity Business Day, as the case may be, if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Business Day or a Commodity Business Day, as the case may be if the relevant date otherwise falls on a Sunday or a Monday; or
 - (iv) the "***Preceding Business Day Convention***", such date shall be brought forward to the immediately preceding Business Day or a Commodity Business Day, as the case may be.

5. REDEMPTION

5.1 Redemption on the Maturity Date

- (a) Subject to the provisions of and in accordance with Condition 6 and unless previously redeemed or purchased and cancelled, each Note (other than a Credit Linked Note) will be redeemed by the Issuer at its Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the Settlement Currency on the Maturity Date, subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the applicable Final Terms. Payment of any applicable Taxes and Redemption Expenses shall be made by the relevant Noteholder, and neither the Issuer nor the Guarantor shall have any liability in respect thereof.

If "Physical Settlement" is specified as applicable in the relevant Final Terms, the Issuer may, on the redemption of a Note, elect to deliver the Reference Assets to which such Note relates on the relevant Physical Delivery Date, and the Noteholder shall be obliged to accept such Reference Assets and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 6.5 and 12 below. By delivering in writing or by tested telex to the Relevant Clearing System (with a copy to the Issue and Paying Agent) a duly completed irrevocable Maturity Redemption Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets, the Issue and Paying Agent shall give notice to the relevant Noteholders in accordance with Condition 16 of the Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

(b) *Credit Linked Notes*

(i) *Generally*

Subject to the provisions of and in accordance with Condition 5.1(b)(ii) and (iii) and Condition 6 and unless previously redeemed or purchased and cancelled, each Credit Linked Note will mature and will be redeemed on the Scheduled Maturity Date, and the Issuer will on the Scheduled Maturity Date at the option of the Issuer (aa) pay or cause to be paid, for value on the Scheduled Maturity Date, the Redemption Amount in respect of such Note or (bb) subject to Condition 6.6 deliver the Deliverable Amount in respect of such Note on the Physical Delivery Date, in each case subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the applicable Final Terms. Payment of any applicable Taxes and Redemption Expenses shall be made by the relevant Noteholder, and neither the Issuer nor the Guarantor shall have any liability in respect thereof.

Credit Linked Notes do not give the Noteholder any right to acquire any of the Reference Obligations or Deliverable Obligations, and the Issuer is not obliged to purchase, hold or deliver any of such Reference Obligations or Deliverable Obligations. However, if so specified in the relevant Final Terms, the Issuer may, on the redemption of such a Note, elect to deliver the Deliverable Amount on the relevant Physical Delivery Date and the Noteholder shall be obliged to accept such Deliverable Amount and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 6.5 and 12 below. By delivering in writing or by tested telex to the Relevant Clearing System (with a copy to the Principal Paying Agent) a duly completed irrevocable Maturity Redemption Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Deliverable Amount, the Issuer and Paying Agent shall give notice to the relevant Noteholders in accordance with Condition 16 of the Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

(ii) *Cash Settlement*

If Cash Settlement is specified in the applicable Final Terms and the Conditions to Settlement are satisfied during the Notice Delivery Period (such date of satisfaction the "***Credit Event Determination Date***"), the Issuer may, at its option, give notice (such notice a "***Settlement Notice***") to the Noteholders in accordance with Condition 16 and redeem all but not some only of the relevant Credit Linked Notes, each Note being redeemed by the Issuer at the Credit Event Redemption Amount on the Credit Event Redemption Date.

If the Conditions to Settlement are satisfied and the relevant Credit Linked Notes become redeemable in accordance with this Condition 5.1(b)(ii), upon payment of the Credit Event Redemption Amount in respect of such Notes the Issuer shall have discharged its obligations in respect of such Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the principal amount of such a Note. Any shortfall shall be borne by the Noteholders, and no liability shall attach to the Issuer.

(iii) *Physical Settlement*

If Physical Delivery is specified in the applicable Final Terms and Conditions to Settlement are satisfied during the Notice Delivery Period (such date of satisfaction the "***Credit Event Determination Date***"), the Issuer may, at its option, give notice (such notice a "***Notice of Physical Settlement***") to the Noteholders in accordance with Condition 16 and redeem all but not some only of the Notes, each Note being redeemed by delivery of the Deliverable Obligations comprising the Deliverable Amount, subject to and in accordance with Condition 6.6(b). If the Issuer elects not to give a Notice of Physical Settlement, Condition 5.1(d)(ii) shall apply.

In the Notice of Physical Settlement the Issuer shall specify the Deliverable Obligations comprising the Deliverable Amount that it reasonably expects to deliver. For the avoidance of doubt, the Determination Agent shall be entitled to select any of the Deliverable Obligations to constitute the Deliverable Amount, irrespective of their market value.

If Conditions to Settlement are satisfied and the Credit Linked Notes become redeemable in accordance with this Condition 5.1(d)(iii), upon Delivery of the Deliverable Amount and/or payment of the Cash Settlement Amount, as the case may be, the Issuer shall have discharged its obligations in respect of such Notes and shall have no other liability of obligation whatsoever in respect thereof. The value of such Deliverable Amount and/or the Cash Settlement Amount may be less than the principal amount of such Note. Any shortfall shall be borne by the Noteholders, and no liability shall attach to the Issuer.

(iv) Repudiation/Moratorium Extension

Where Conditions to Settlement have not been satisfied on or prior to the Scheduled Maturity Date but the Repudiation/Moratorium Extension Condition has been satisfied on or prior to the Scheduled Maturity Date and the Repudiation/Moratorium Evaluation Date in respect of such Potential Repudiation Moratorium will in the sole determination of the Determination Agent fall after the Scheduled Maturity Date, then the Determination Agent shall notify the Noteholders in accordance with Condition 16 that a Potential Repudiation/Moratorium has occurred, and:

(A) where a Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date:

(I) each Credit Linked Note will be redeemed by the Issuer by payment of the Redemption Amount on the second Business Day following the Repudiation/Moratorium Evaluation Date; and

(II) in the case of interest bearing Credit Linked Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the second Business Day following the Repudiation/Moratorium Evaluation Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and

(B) where a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date and Conditions to Settlement are satisfied in the Notice Delivery Period, the provisions of Condition 5.1(b)(ii) or (iii) as applicable shall apply to such Credit Linked Notes.

(v) Grace Period Extension

If "***Grace Period Extension***" is specified as applying in the applicable Final Terms, the provisions of this Condition 5.1(b)(v) shall apply.

Where Conditions to Settlement have not been satisfied on or prior to the Scheduled Maturity Date but a Potential Failure to Pay has occurred with respect to one or more Obligations in respect of which a Grace Period is applicable on or prior to the Scheduled Maturity Date (and such Grace Period(s) is/are continuing as of the Scheduled Maturity Date), then:

(A) where a Failure to Pay has not occurred on or prior to the Grace Period Extension Date:

- (I) each Credit Linked Note will be redeemed by the Issuer by payment of the Redemption Amount on the Grace Period Extension Date; and
 - (II) in the case of interest bearing Credit Linked Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Grace Period Extension Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and
- (B) where a Failure to Pay has occurred on or prior to the Grace Period Extension Date and Conditions to Settlement are satisfied in the Notice Delivery Period, the provisions of Condition 5.1(b)(ii) or (iii) as applicable shall apply to such Notes.
- (vi) *Maturity Date Extension*

If on (1) the Scheduled Maturity Date or (2) the Repudiation/Moratorium Evaluation Date, or (3) if "Grace Period Extension" is specified as applying in the applicable Final Terms, the Grace Period Extension Date, as the case may be, Conditions to Settlement have not been satisfied but, in the opinion of the Determination Agent, a Credit Event may have occurred, the Determination Agent may notify the Noteholders in accordance with Condition 16 that the Scheduled Maturity Date, the Grace Period Extension Date or the Repudiation/Moratorium Evaluation Date, as the case may be, has been postponed to a date (such date the "*Postponed Maturity Date*") specified in such notice falling not more than 15 calendar days after the Scheduled Maturity Date, the Grace Period Extension Date or the Repudiation/Moratorium Evaluation Date, as the case may be, and:

- (A) where Conditions to Settlement are not satisfied on or prior to the Postponed Maturity Date:
 - (I) subject as provided below each Credit Linked Note will be redeemed by the Issuer by payment of the Redemption Amount on the Postponed Maturity Date; and
 - (II) in the case of interest bearing Credit Linked Notes, the Issuer shall be obliged to pay interest calculated as provided herein accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Postponed Maturity Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and
- (ii) where Conditions to Settlement are satisfied on or prior to the Postponed Maturity Date, the provisions of Condition 5.1(b)(ii) or (iii) as applicable shall apply to such Notes.

5.2 Early Redemption at the option of Noteholders

If "Put Option" is specified as applicable in the applicable Final Terms, the Noteholders of any Series of Notes may require the Issuer to redeem Notes on any Early Redemption Date in the manner specified herein and in the relevant Final Terms. Following the exercise of this option by the holder of any Note of such Series in accordance with the provisions of Condition 6, the Issuer will redeem the relevant Note(s), subject to and in accordance with the terms specified in the applicable Final Terms, in whole (but not in part), on the Early Redemption Date, and the relevant Noteholder(s) will receive from the Issuer on the relevant Early Redemption Payment Date the Early Redemption Amount in respect of such Note(s) subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the applicable Final Terms. Payment of any applicable Taxes and

Redemption Expenses shall be made by the relevant Noteholder, and neither the Issuer nor the Guarantor shall have any liability in respect thereof.

If "Physical Settlement" is specified as applicable in the relevant Final Terms, the Issuer may, on the redemption of a Note, elect to deliver on the relevant Physical Delivery Date the Reference Assets or (in the case of Credit Linked Notes) deliver the Deliverable Amount to which such Note relates, and the Noteholder shall be obliged to accept such Reference Assets or Deliverable Amount and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 6.5 and 12 below. By delivering in writing or by tested telex to the Relevant Clearing System (with a copy to the Issue and Paying Agent) a duly completed irrevocable Early Redemption Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets or the Deliverable Amount, the Issue and Paying Agent shall give notice to the relevant Noteholders in accordance with Condition 16 of the Early Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

5.3 Early Redemption at the option of the Issuer

If "Call Option" is specified as applicable in the applicable Final Terms or pursuant to Condition 8.1(a) or 8.1(b), the Issuer may redeem the Notes of any Series on any Early Redemption Date. If the Issuer exercises this option in accordance with the provisions of Condition 6, it will redeem the Notes of such Series, subject to and in accordance with the terms specified herein and in the applicable Final Terms, in whole (but not in part) on the Early Redemption Date, and the Noteholders will receive from the Issuer on the relevant Early Redemption Payment Date, the Early Redemption Amount in respect of such Notes subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the applicable Final Terms. Payment of any applicable Taxes and Redemption Expenses will be made by the Noteholders, and neither the Issuer nor the Guarantor shall have any liability in respect thereof.

If "Physical Settlement" is specified in the relevant Final Terms, the Issuer may, on the redemption of a Note, elect to deliver the Reference Assets or (in the case of Credit Linked Notes) deliver the Deliverable Amount to which such Note relates on the relevant Physical Delivery Date, and the Noteholder shall be obliged to accept such Reference Assets or Deliverable Amount and pay any applicable Taxes and Redemption Expenses, in accordance with Conditions 6.5 and 12 below. By delivering in writing or by tested telex to the Relevant Clearing System (with a copy to the Issue and Paying Agent) a duly completed irrevocable Noteholder's Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets or (in the case of Credit Linked Notes) deliver the Deliverable Amount, the Issue and Paying Agent shall give notice to the relevant Noteholders, in accordance with Condition 16, of the Early Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

5.4 Early Redemption following the occurrence of an Issuer Tax Event, Change in Law, Hedging Disruption, Increased Cost of Hedging, Guarantor Tax Event, Asian Change in Law, Asian Hedging Disruption and/or Asian Increased Cost of Hedging

If so specified in the applicable Final Terms, the Issuer may redeem the Notes of any Series at any time prior to the Maturity Date following the occurrence of an Issuer Tax Event and/or a Change in Law, and/or a Hedging Disruption and/or an Increased Cost of Hedging and/or a Guarantor Tax Event (in such case, where the Notes are issued by BCCL) and/or an Asian Change in Law and/or an Asian Hedging Disruption Event and/or an Asian Increased Cost of Hedging. If the Issuer exercises this option in accordance with the provisions of Condition 6, it will redeem the Notes of such Series, subject to and in accordance with the terms specified in the applicable Final Terms, in whole (but not in part) on the Early Redemption Date, and the Noteholders will receive from the Issuer on the relevant Early Redemption Payment Date the Early Redemption Amount in respect of such Notes, subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the applicable Final Terms. Payment of any applicable Taxes and Redemption Expenses will be made by the Noteholders, and neither the Issuer nor the Guarantor shall have any liability in respect thereof.

If "Physical Settlement" is specified in the relevant Final Terms, the Issuer may, on the redemption of a Note, elect to deliver on the relevant Physical Delivery Date the Reference Assets or deliver the Deliverable Amount to which such Note relates, and the Noteholder shall be obliged to accept such Reference Assets or Deliverable Amount and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 6.5 and 12 below. By delivering in writing or by tested telex to the Relevant Clearing System (with a copy to the Issue and Paying Agent) a duly completed irrevocable Noteholder's Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets or deliver the Deliverable Amount, the Issue and Paying Agent shall give notice to the relevant Noteholders, in accordance with Condition 16, of the Early Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

5.5 Cancellation

Without prejudice to the provisions of Condition 21, the Notes of any Series, once redeemed by or on behalf of the Issuer, will forthwith be cancelled and accordingly may not be reissued or resold.

5.6 Maximum and Minimum Redemption Requirements

In relation to the Notes of any Series, if the applicable Final Terms so specify, the Notes of such Series may be redeemed only in such maximum and minimum amounts and multiples of Notes as required by Condition 9.

6. REDEMPTION PROCEDURES

6.1 General

The redemption of Notes of any Series shall be effected only in accordance with this Condition 6 unless different procedures are specified in the applicable Final Terms.

6.2 Restrictions

In certain circumstances specified in the relevant Final Terms, selling restrictions or certification requirements in addition to those described in this Base Prospectus may apply.

6.3 Redemption Notices

(a) *Redemption Notices generally*

(i) Where Notes are being redeemed on the Maturity Date

Unless otherwise specified in the relevant Final Terms, payment of the Redemption Amount to the relevant Noteholder on the Maturity Date or delivery of the Reference Assets or, in the case of a Credit Linked Note, the Deliverable Amount on the Physical Delivery Date to, or to the order of, the relevant Noteholder is conditional upon the Noteholder delivering in writing or by tested telex to the Relevant Clearing System, with a copy to the Principal Paying Agent, a duly completed irrevocable notice (a "**Maturity Redemption Notice**") substantially in the form set out in Appendix G of the Master Issue and Paying Agency Agreement (copies of which may be obtained from the specified office of the Paying Agents) not later than the Maturity Notice Time on the Maturity Date. The Maturity Redemption Notice may specify that it is subject to certain specified additional conditions or requirements.

(ii) Where Notes are being redeemed by the Issuer at the request of a Noteholder pursuant to Condition 5.2

Unless otherwise specified in the relevant Final Terms, payment of the Early Redemption Amount to the relevant Noteholder or delivery of the Reference Assets or, in the case of a Credit Linked Note, the Deliverable Amount on the Physical Delivery Date to, or to the order of, the relevant Noteholder is conditional upon such Noteholder delivering in writing or by tested telex to the Relevant Clearing System, with a copy to

the Principal Paying Agent, a duly completed irrevocable notice (an "**Early Redemption Notice**") substantially in the form set out in Appendix H of the Master Issue and Paying Agency Agreement (copies of which may be obtained from the specified office of the Paying Agents). Such Early Redemption Notice must be received no later than the Redemption Notice Time on the Early Redemption Date. Any Early Redemption Notice (in writing or sent by tested telex) received after the Redemption Notice Time on a given Business Day shall be deemed to be received on the next succeeding Business Day, provided such date falls no later than two Business Days prior to the Maturity Date, in which event the Notes will be redeemed on the Maturity Date in accordance with Condition 5.1.

(iii) Where Notes are being redeemed by the Issuer pursuant to Condition 5.3

Unless otherwise specified in the relevant Final Terms, if the Issuer wishes to redeem the Notes of any Series pursuant to Condition 5.3, the Issuer must give Noteholders notice of redemption (an "**Issuer Redemption Notice**") in accordance with Condition 16 (which notice will be irrevocable and will specify the Early Redemption Amount or, if the Issuer elects to deliver Reference Assets or, in the case of a Credit Linked Note the Deliverable Amount, in lieu of paying the Early Redemption Amount, the Reference Assets or the Deliverable Amount to be delivered upon redemption of each Note) and at the same time deliver a copy of the Issuer Redemption Notice to the Issue and Paying Agent and the Relevant Clearing System.

Notwithstanding the foregoing, if any Restricted Note is to be redeemed by delivery of the Reference Assets or the Deliverable Amount, any relevant provisions which modify the foregoing relating to such redemption and delivery, including the notices and certifications required, shall be as set out in the applicable Final Terms.

An Issuer Redemption Notice given in respect of any Series of Notes must be received no later than the Redemption Notice Time on the Early Redemption Date. Any Issuer Redemption Notice (in writing or sent by tested telex) received after the Redemption Notice Time on a given Business Day shall be deemed to be received on the next succeeding Business Day, provided it falls no later than two Business Days prior to the Maturity Date, in which event the Notes will be redeemed on the Maturity Date in accordance with Condition 5.1.

Unless otherwise specified in the relevant Final Terms, payment of the Early Redemption Amount to the relevant Noteholder on the Early Redemption Payment Date or delivery of the Reference Assets or the Deliverable Amount on the Physical Delivery Date, to or to the order of the relevant Noteholder is conditional upon the Noteholder delivering in writing or by tested telex to the Relevant Clearing System, with a copy to the Issue and Paying Agent, a duly completed Noteholder's Notice not later than the Redemption Notice Time on the Early Redemption Date, which notice may specify that it is subject to any additional conditions or requirements specified in the Issuer Redemption Notice.

(iv) Where Notes are being redeemed by the Issuer pursuant to Condition 5.4

Unless otherwise specified in the relevant Final Terms, if the Issuer wishes to redeem the Notes of any Series pursuant to Condition 5.4, the Issuer must give Noteholders notice of redemption (a "**Special Redemption Notice**") in accordance with Condition 16 (which notice will be irrevocable and will specify the Early Redemption Amount or, if the Issuer elects to deliver Reference Assets or, in the case of a Credit Linked Note, the Deliverable Amount in lieu of paying the Early Redemption Amount, the Reference Assets or the Deliverable Obligations to be delivered upon redemption of each Note) and at the same time deliver a copy of the Special Redemption Notice to the Issue and Paying Agent and the Relevant Clearing System.

Notwithstanding the foregoing, if any Restricted Note is to be redeemed by delivery of the Reference Assets or the Deliverable Amount, any relevant provisions which modify the foregoing relating to such redemption and delivery, including the notices and certifications required, shall be as set out in the applicable Final Terms.

A Special Redemption Notice given in respect of any Series of Notes must be given no later than the Redemption Notice Time on the Early Redemption Date. Any Special Redemption Notice (in writing or sent by tested telex) received after the Redemption Notice Time on a given Business Day shall be deemed to be received on the next succeeding Business Day, provided it falls no later than two Business Days prior to the Maturity Date, in which event the Notes will be redeemed on the Maturity Date in accordance with Condition 5.1.

Unless otherwise specified in the relevant Final Terms, payment of the Early Redemption Amount to the relevant Noteholder on the Early Redemption Payment Date or delivery of the Reference Assets or the Deliverable Obligations on the Physical Delivery Date, to or to the order of the relevant Noteholder is conditional upon the Noteholder delivering in writing or by tested telex to the Relevant Clearing System, with a copy to the Issue and Paying Agent, a duly completed Noteholder's Notice not later than the Redemption Notice Time on the Early Redemption Date, which notice may specify that it is subject to any additional conditions or requirements specified in the Special Redemption Notice.

(b) *Effect of Redemption Notices*

(i) *Effect of Maturity Redemption Notice and Noteholder's Notice where Notes are being redeemed on the Maturity Date or pursuant to Condition 5.3 or 5.4*

A Maturity Redemption Notice or a Noteholder's Notice, as the case may be, if delivered in accordance with Condition 6.3(a)(i), (iii) and (iv), as the case may be, shall, *inter alia*, constitute and be substantially to the following effect:

- (A) an irrevocable instruction to the Relevant Clearing System to debit the designated Securities Account for each Note to be redeemed on the Maturity Date or Early Redemption Date, as the case may be;
- (B) where the Notes are being cash settled, an irrevocable instruction to the Relevant Clearing System to credit the Cash Account of the Noteholder at the Relevant Clearing System, as appropriate, with the Redemption Amount or the Early Redemption Amount, as the case may be, on the Maturity Date or the Early Redemption Payment Date, as the case may be;
- (C) if the relevant Final Terms specify that "Physical Settlement" is applicable and the Issuer elects to deliver the Underlying Securities or, in the case of Credit Linked Notes the Deliverable Amount, in lieu of paying the Redemption Amount or Early Redemption Amount, as the case may be, notification of the name and address of the person or bank or broker to whom the Reference Assets or the Deliverable Obligations should be transferred and of the name and address of the person or bank or broker to whom the Transfer Documentation in respect of the Reference Assets or the Deliverable Obligations should be delivered (if the Reference Assets are equity units such information should relate to each security comprised in such equity units) and notification of the name and the number of the Noteholder's Cash Account with the Relevant Clearing System to be credited with any cash payable by the Issuer, in the event of a Settlement Disruption Event or otherwise;
- (D) notification of the name(s) and number(s) of the relevant Securities Account(s) and Cash Account(s);
- (E) an undertaking by the relevant Noteholder to pay any applicable Redemption Expenses in accordance with Condition 6.5 and an authority to debit a specified account of the Noteholder at the Relevant Clearing System in respect thereof; and
- (F) an undertaking by the relevant Noteholder to pay any applicable Taxes in accordance with Conditions 6.5 and 12.

(ii) Effect of Early Redemption Notice where Notes are being redeemed by the Issuer at the request of a Noteholder

If the relevant Final Terms specify that the Notes may be redeemed by the Issuer at the request of Noteholders pursuant to Condition 5.2, an Early Redemption Notice delivered in accordance with Condition 6.3(a)(ii) shall, *inter alia*, constitute and be substantially to the following effect:

- (A) an irrevocable notice of the intention of the Noteholder to require the Issuer to redeem the Notes therein referred to as permitted by Condition 5.2 and notification of the number and Series of Notes which the Noteholder wishes the Issuer to redeem, subject to the minimum and maximum redemption requirements and integral multiples requirements specified in Condition 9; provided that if the number of Notes specified in the Early Redemption Notice exceeds the number of Notes held in the Securities Account specified therein, such Early Redemption Notice shall be void;
- (B) an irrevocable instruction to the Relevant Clearing System to notify the Issue and Paying Agent of the Noteholder's election to require the Issuer to effect such redemption and instructing it to debit the designated Securities Account for each Note to be redeemed on the Early Redemption Date;
- (C) where the Notes are being cash settled, an irrevocable instruction to the Relevant Clearing System to credit the Cash Account of the Noteholder at the Relevant Clearing System, as appropriate, with the Early Redemption Amount on the Early Redemption Payment Date;
- (D) if the relevant Final Terms specify that "Physical Settlement" is applicable and the Issuer elects to deliver the Reference Assets or, in the case of Credit Linked Notes, the Deliverable Amount in lieu of paying the Early Redemption Amount, notification of the name and address of the person or bank or broker to whom the Reference Assets or the Deliverable Obligations should be transferred and the name and address of the person or bank or broker to whom the Transfer Documentation in respect of the Reference Assets or the Deliverable Obligations should be delivered (if the Reference Assets are equity units such information should relate to each security comprised in such equity units) and notification of the name and the number of the Noteholder's Cash Account with the Relevant Clearing System to be credited with any cash payable by the Issuer in the event of a Settlement Disruption Event or otherwise;
- (E) notification of the name(s) and number(s) of the relevant Securities Account(s) and Cash Account(s);
- (F) an undertaking to pay any applicable Redemption Expenses in accordance with Condition 6.5 and an authority to debit a specified account of the Noteholder at the Relevant Clearing System in respect thereof; and
- (G) an undertaking by the relevant Noteholder to pay any applicable Taxes in accordance with Conditions 6.5 and 12.

(c) *US Certification requirements - Type 1 US Commodities Restrictions*

If the Final Terms indicate that Type 1 US Commodities Restrictions apply, the Noteholder must certify in the following form (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Noteholder to equivalent effect) in connection with a redemption notice:

"(a) Neither the person holding the Notes referred to in this redemption notice, nor any person on whose behalf the Notes are being held when redeemed, is a US person or a person within the United States (as such terms are defined in Regulation S under the US Securities Act of 1933, as amended) or (b) the person redeeming the Notes, and each person on whose behalf the Notes are being redeemed or who is the beneficial owner

thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act).

We understand that this notice is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this notice is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

(d) *US Certification requirements - Type 2 US Commodities Restrictions*

If the Final Terms indicate that Type 2 US Commodities Restrictions apply, the Noteholder must certify in the following form (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Noteholder to equivalent effect) in connection with a redemption notice:

"Neither the person holding the Notes referred to in this redemption notice, nor any person on whose behalf the Notes are being held when redeemed, is a US person or a person within the United States (as such terms are defined in Regulation S under the US Securities Act of 1933, as amended).

We understand that this notice is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this notice is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

6.4 Liability

Redemption of the Notes, payments by the Issuers, the Guarantor (in respect of Notes issued by BCCL) and any Paying Agent and any transfer of the Reference Assets or Deliverable Obligations by the Issuer and/or any Paying Agent will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at such time (including, without limitation, any relevant exchange control laws or regulations and the Relevant Rules) and none of the Issuers, the Guarantor (where the Notes are issued by BCCL) or any Paying Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices. None of the Issuers, the Guarantor (where the Notes are issued by BCCL) or any Paying Agent shall under any circumstances be liable for any acts or defaults of the Relevant Clearing System in the performance of their respective duties in relation to the Notes or, in relation to the delivery of Reference Assets or Deliverable Obligations, the acts or defaults of the relevant Exchanges.

6.5 Settlement by the Issuer

Subject to compliance by the Noteholder with the redemption procedures set out herein (and in the applicable Final Terms, where specified), the Issuer will, where applicable, comply with the following:

(a) *Settlement by delivery of Reference Assets*

- (i) Redemption Expenses and Taxes associated with the delivery of any Reference Assets (including for the avoidance of doubt, in the case of an equity unit, the securities comprised in such equity unit) or, in the case of a Credit Linked Note, any Deliverable Obligations will be for the account of the relevant Noteholder. No delivery by the Issuer of a fraction of Reference Assets or Deliverable Obligation shall be made. Notes redeemed at the same time by the same Noteholder will be aggregated for the purpose of determining the aggregate number of Reference Assets or Deliverable Obligations to be delivered; and in the case of Equity Basket Notes, Notes redeemed at the same time by the same Noteholder shall be aggregated for the purpose of determining the aggregate number of Equity Baskets of Securities to be delivered and the aggregate number of each of the Reference Assets forming part of the relevant Equity Basket of Securities to be delivered. Where there is a fraction of a Reference Asset or a Deliverable Obligation, a Noteholder will be entitled to receive an amount in cash rounded to the nearest whole unit of currency in lieu of such fraction.

- (ii) No Noteholder will be entitled to receive dividends declared or paid in respect of any Reference Assets or to any other rights relating to or arising out of any such Reference Assets if the record date for the relevant dividend or relevant right in respect of such Reference Assets falls before the relevant Physical Delivery Date.
 - (iii) If the Issuer has elected to make a delivery of the Reference Assets or the Deliverable Amount, but any Redemption Expenses incurred by the Issuer or the Guarantor have not been credited to the Bank Account of the Issue and Paying Agent (in favour of the Issuer), then the Issuer shall be under no obligation to transfer the Reference Assets or the Deliverable Amount or make any payment of any nature to the relevant Noteholder in respect of the Notes being redeemed, and the Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, delivered in respect of such Notes shall thereafter be null and void for all purposes.
 - (iv) If the Issuer elects to deliver Reference Assets or the Deliverable Amount in lieu of the Redemption Amount (or the Early Redemption Amount), then, as soon as practicable after the Valuation Date, it will confirm to the Relevant Clearing System and to the Issue and Paying Agent the Reference Assets or Deliverable Obligations being delivered upon redemption of each Note and the amount of any Taxes which the Issuer, the Guarantor (where the Notes are issued by BCCL) or the relevant Paying Agent is required to withhold or deduct and any Redemption Expenses incurred by the Issuer relating thereto. Subject to receipt of such information and subject to compliance by the Noteholder with the redemption procedure set out herein (and in the applicable Final Terms, where specified), the Relevant Clearing System will on or before the Physical Delivery Date transfer from the Cash Account of the relevant Noteholder to the account of the Issue and Paying Agent an amount equal to (1) any such Taxes and (2) any such Redemption Expenses.
 - (v) The Issuer will ensure that delivery of the Reference Assets or the Deliverable Amount to the Noteholder takes place on the Physical Delivery Date. In the event that a Noteholder requests that delivery of the Reference Assets or the Deliverable Amount be made at a location or in a method that is different from that in the applicable Final Terms, the Issuer will, without any obligation whatsoever and provided that no additional unreimbursed costs are incurred, seek to deliver the Reference Assets or the Deliverable Amount to such location and/or by such method. Settlement will take place in accordance with the relevant method of settlement.
 - (vi) Unless notified to the contrary, the Issuer shall, subject as provided below, on the relevant Physical Delivery Date deliver or procure the delivery of the Transfer Documentation relating to the Reference Assets or the Deliverable Amount being so transferred (or in the case of a Reference Asset that is an equity unit, the Transfer Documentation in respect of such equity unit) to or to the order of the Noteholder or to such bank or broker as the Noteholder has specified in the relevant Maturity Redemption Notice.
 - (vii) The Issuer will, if it does not elect to deliver the Reference Assets or the Deliverable Amount in lieu of payment of the Redemption Amount (or the Early Redemption Amount), and subject to compliance by the Noteholder with the redemption procedure set out herein (and in the applicable Final Terms, where specified), pay or cause to be paid, on the relevant Maturity Date, the Redemption Amount (or the Early Redemption Amount) (less any Taxes or Redemption Expenses that the Issuer is authorised or required to deduct) to the Relevant Clearing System for credit to the relevant Noteholder's Cash Account designated in the relevant Maturity Redemption Notice for value on the Maturity Date or the Early Redemption Payment Date. Neither the Issuers nor the Guarantor (where the Notes are issued by BCCL) shall be liable for the failure of any third party to credit the Noteholder's Cash Account or for payment effected to persons not entitled thereto.
- (b) *Cash Settlement*

In respect of each Note being redeemed, the Issuer will pay or cause to be paid, on the relevant Maturity Date (or Early Redemption Payment Date), the Redemption Amount (or Early Redemption Amount) (less any Taxes or Redemption Expenses that the Issuer is authorised to deduct) to the Relevant Clearing System for credit to the relevant Noteholder's Cash Account designated in the relevant Redemption Notice for value on the Maturity Date (or Early Redemption Payment Date). Neither the Issuers nor the Guarantor (where the Notes are issued by

BCCL) shall be liable for the failure of any third party to credit the Noteholder's Cash Account or for payment effected to persons not entitled thereto.

6.6 Settlement Disruption Event

(a) *Effect on Physical Delivery Date*

If the Issuer has elected to deliver Reference Assets in lieu of paying the Redemption Amount or the Early Redemption Amount, as the case may be, and a Settlement Disruption Event prevents the delivery of such Reference Assets on the Physical Delivery Date, then the Physical Delivery Date will be the first succeeding day on which delivery of the Reference Assets can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the 10 relevant Clearing System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Physical Delivery Date.

In that case, the Issuer may in its sole discretion elect to (1) satisfy its obligations in respect of the relevant Note by payment in cash of the Redemption Amount or the Early Redemption Amount, as the case may be, not later than the third Business Day following the date that the notice of such election is given to Noteholders in accordance with Condition 16, or (2) if the Reference Assets can be delivered in any other commercially reasonable manner, as determined by the Issuer in its sole discretion, designate that the Physical Delivery Date will be the first day on which settlement of a sale of the Reference Assets executed on that tenth Relevant Clearing System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the Relevant Clearing System for the purposes of delivery of the relevant Reference Assets). All determinations made by the Issuer will be conclusive and binding upon the Noteholders, the Guarantor (where the Notes are issued by BCCL) and the Issuers except in the case of manifest error.

For so long as the delivery of the Reference Assets in respect of any Note is not practicable by reason of a Settlement Disruption Event, the relevant Noteholders shall not be entitled to any payment, whether of interest or otherwise, on such Note as a result of any delay in the delivery of the Reference Assets pursuant to this paragraph.

(b) *Undeliverable Obligations*

If the Issuer has elected to deliver the Deliverable Amount in lieu of paying the Redemption Amount or the Early Redemption Amount, as the case may be, in respect of Credit Linked Notes and such Deliverable Amount includes Undeliverable Obligations, where the Issuer is unable to deliver such Undeliverable Obligations on the Physical Delivery Date, it shall continue to attempt to deliver all or a portion of such Undeliverable Obligations on or before the 30th Business Day following the Physical Delivery Date (the "**Final Delivery Date**").

If all or a portion of the Undeliverable Obligations constituting the Deliverable Amount are not delivered by a Final Delivery Date, the Issuer shall give notice (a "**Cash Settlement Notice**") to the Noteholders in accordance with Condition 16 and the Issuer shall pay in respect of each Undeliverable Obligation the Cash Settlement Amount on the Cash Settlement Date.

6.7 Determinations where Notes are being redeemed by the Issuer on the Maturity Date or on the Early Redemption Date

Any determinations as to whether a Maturity Redemption Notice, an Early Redemption Notice or a Noteholder's Notice, as the case may be, is duly completed and in proper form shall be made by the Relevant Clearing System in consultation with the Issue and Paying Agent and shall be conclusive and binding on the Issuers, the Guarantor (where the Notes are issued by BCCL), the Paying Agents, the Issue and Paying Agent and the relevant Noteholder. Any Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, so determined to be incomplete or not in proper form or which is not copied to the Issue and Paying Agent immediately after being sent to the Relevant Clearing System shall be null and void unless the Issuer agrees otherwise. If such Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, is subsequently corrected to the satisfaction of the Relevant Clearing System, it shall be deemed to be a new Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, submitted at the time such correction is delivered to the Relevant Clearing System. The Relevant Clearing System shall use all reasonable

endeavours promptly to notify the Noteholder submitting a Maturity Redemption Notice, an Early Redemption Notice or Noteholder's Notice, as the case may be, if it has determined that such Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, is invalid or incomplete. In the absence of negligence or wilful misconduct on its part, the Relevant Clearing System shall not be liable to any person with respect to any action taken or omitted to be taken by it in connection with such notification to a Noteholder or such determination.

6.8 Effect of Early Redemption Notice, Issuer Redemption Notice and Special Redemption Notice

- (a) *Where Notes are being redeemed by the Issuer at request of Noteholder pursuant to Condition 5.2*

Delivery of an Early Redemption Notice by facsimile shall constitute an irrevocable election by the relevant Noteholder to require the Issuer to redeem the Notes specified therein. After the delivery of such Early Redemption Notice, the relevant Noteholder may not transfer such Notes. If, notwithstanding the foregoing, any Noteholder does so transfer or attempts so to transfer such Notes, the Noteholder will be liable to the Issuer for any loss, costs and expenses suffered or incurred by the Issuer or any of its affiliates through which it has hedged its position, including those suffered or incurred as a consequence of the Issuer or any of its affiliates through which it has hedged its position having terminated or commenced any related hedging arrangements in reliance on the relevant Early Redemption Notice and subsequently (i) entering into replacement hedging arrangements in respect for such Notes or (ii) paying any amount on the subsequent redemption of such Notes without having entered into any replacement hedging arrangements.

- (b) *Where Notes are being redeemed by the Issuer pursuant to Condition 5.3 or 5.4*

Upon the expiry of an Issuer Redemption Notice or a Special Redemption Notice, as the case may be, that has been given in the prescribed manner, the Issuer shall, subject to the requirements of these Conditions, be bound to redeem the Notes of the relevant Series unless previously redeemed or purchased and cancelled.

6.9 Currency

- (a) *Exchange Date*

Where the price(s) for the Reference Assets or Relevant Index is (are) quoted in a currency other than the currency in which any cash settlement in respect of the relevant Notes is required to be made, the exchange rate for conversion into the currency in which any cash settlement in respect of the relevant Notes is required to be made will be that determined by the Issue and Paying Agent by reference to the relevant Reuters page or other reference source specified in the applicable Final Terms or will be the exchange rate quoted by the reference bank or relevant central bank specified in the applicable Final Terms, at a time or times on the Valuation Date as specified in the relevant Final Terms or, if no such time is specified, then at 5:00 pm (London time) on the Valuation Date.

- (b) *Change in Currency*

- (i) If at any time there is a change in the currency of a country such that the central bank of that country recognises more than one currency or currency unit as the lawful currency of that country, then references in, and obligations arising under, the Notes at the time of any such change that are expressed in the currency of that country shall be translated into, and/or any amount becoming payable under the Notes thereafter as specified in these Conditions shall be paid in, the currency or currency unit of that country, and in the manner, designated by the Determination Agent.

Any such translation shall be made at the official rate of exchange recognised for that purpose by the central bank of such country.

- (ii) Where such a change in currency occurs, the Global Note in respect of the Notes then outstanding and the Conditions relating to such Notes shall be amended in the manner agreed by the Issuers, the Guarantor (where the Notes are issued by BCCL) and the Issue and Paying Agent so as to reflect the change and, so far as practicable, to place the Issuers, the Guarantor (where the Notes are issued by BCCL), the Issue and Paying

Agent and the Noteholders in the same position each would have been in had no change in currency occurred (such amendments to include, without limitation, changes required to reflect any modification to business day or other conventions arising in connection with such change in currency), provided that any such amendments will only be made in a manner that is consistent with the hedging arrangements entered into by the Issuer in connection with such Notes. All amendments made pursuant to this Condition 6.9(b) will be binding upon the Noteholders.

- (iii) Notification of any amendments made to the Notes pursuant to this Condition 6.9(b) will be made in accordance with Condition 16, which will state *inter alia* the date on which such amendments are to take or took effect, as the case may be.

7. RIGHTS OF THE ISSUER IN THE EVENT OF A DISRUPTED DAY OR DISRUPTION EVENT

7.1 Equity Linked Notes and Equity Basket Notes

If, in the opinion of the Determination Agent, any Valuation Date is a Disrupted Day, then:

- (a) in the case of an Equity Linked Note in respect of which the applicable Final Terms specify only one type of Underlying Security, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the Disrupted Days, would have been the Valuation Date (the "**Scheduled Valuation Date**") is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date notwithstanding the fact that it is a Disrupted Day, and the Determination Agent shall estimate in good faith the relevant Exchange traded price for such Underlying Securities that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day;
- (b) in the case of Equity Basket Notes, the Valuation Date for each Underlying Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Underlying Security affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the relevant Underlying Security notwithstanding the fact that it is a Disrupted Day and the Determination Agent shall estimate in good faith the relevant Exchange traded price for such Underlying Security that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day.

All determinations made by the Determination Agent pursuant to this Condition will be conclusive and binding on the Noteholders, the Guarantor (where the Notes are issued by BCCL), the Paying Agents and the Issuers except in the case of manifest error. Notice of the Exchange's traded price for the relevant Underlying Securities, determined in accordance with this Condition 7.1, shall only be provided to those Noteholders affected by the occurrence of the Disrupted Days.

7.2 Single Index Notes and Basket of Indices Notes

If, in the opinion of the Determination Agent, a Valuation Date is a Disrupted Day, then:

- (a) in the case of Single Index Notes, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case (i) the eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Determination Agent shall determine the level of the Index in the manner set out in the applicable Final Terms or, if not set out or not practicable, shall determine the level of the Index as of the Valuation Time on the eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the relevant Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security included in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Underlying Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Underlying Security as of the Valuation Time on that eighth Scheduled Trading Day); or

- (b) in the case of Basket of Indices Notes, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an "*Affected Index*") shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Index. In that case (i) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Index, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Determination Agent shall determine the level of the Basket of Indices using, in relation to the Affected Index, the level of that Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on that eighth Scheduled Trading Day determined in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security included in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day).

In the case of a Disrupted Day occurring prior to the Valuation Date, the level of any Index calculated by the Determination Agent in accordance with this Condition 7.2 shall only be notified to those Noteholders (if any) seeking to redeem their Notes at the time of the occurrence of the Disrupted Days.

7.3 Currency Linked Notes

(a) *Determination of Disruption Event*

If, in the opinion of the Determination Agent, a Disruption Event (as defined below) has occurred and is continuing on any Valuation Date, then such Valuation Date shall be postponed to the first following Business Day in respect of which there is no such Disruption Event; provided, however, that in no event shall the Valuation Date be later than the eighth Business Day after the Maturity Date or the Early Redemption Date, as the case may be, and, if a Disruption Event in relation to an Exchange Rate is continuing on such eighth Business Day, the Valuation Date shall be such eighth Business Day and the Issuer shall pay in lieu of payment of the Redemption Amount or the Early Redemption Amount on the Maturity Date or Early Redemption Date, as the case may be, the Disruption Redemption Amount (as defined below) on the third Business Day following such eighth Business Day. All determinations made by the Determination Agent pursuant to this Condition will be conclusive and binding on the Noteholders, the Guarantor (where the Notes are issued by BCCL) and the relevant Issuer except in the case of manifest error. Notice of the Disruption Redemption Amount, determined in accordance with this Condition 7.3, shall only be provided to holders of Notes affected by the Disruption Event.

"*Disruption Event*", in respect of Currency Linked Notes, means the occurrence of any of the following events:

- (1) Price Source Disruption;
- (2) Illiquidity Disruption;
- (3) Dual Exchange Rate;
- (4) any other event that, in the opinion of the Determination Agent, materially affects dealings in the Notes of any Series or affects the ability of the Issuer to meet any of its obligations under the Notes of any Series or under any related hedge transactions.

(b) *Calculation of Rates for Certain Settlement Rate Options*

- (i) If any of the Exchange Rates specified in the applicable Final Terms are published or announced by more than one price source and the price source referred to in such applicable Final Terms fails to publish or announce that Exchange Rate on the Rate Calculation Date (or, if different, the day on which rates for that date would, in the ordinary course, be published or announced by such price source), then the Spot Rate for

that Rate Calculation Date will be determined by the Determination Agent in its absolute discretion.

- (ii) If the Exchange Rates specified in the relevant Final Terms are reported, sanctioned, recognised, published, announced or adopted (or are the subject of other similar action) by the relevant Governmental Authority (as defined below), and such Exchange Rate ceases to exist and is replaced by a successor currency exchange rate that is reported, sanctioned, recognised, published, announced or adopted (or other similar action) by such Governmental Authority (the "**Official Successor Rate**"), then the Spot Rate for the relevant Rate Calculation Date will be determined by the Determination Agent in its absolute discretion.
- (iii) For the purposes of determining the Spot Rate for any Rate Calculation Date in any case where the Spot Rate for a Rate Calculation Date is based on information obtained from the Reuters Monitor Money Rates Service or the Dow Jones Telerate Service, the Spot Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such notice.

Notwithstanding the preceding paragraph, in any case where the Spot Rate for a Rate Calculation Date is based on the information published or announced by a Governmental Authority in the relevant country, the Spot Rate will be subject to the correction, if any, to that information subsequently published or announced by that source within the shorter of the period of five days from the Rate Calculation Date and the period expiring on the Business Day prior to the Maturity Date or Early Redemption Payment Date, as the case may be.

7.4 Averaging

In the case of an Averaging Date being a Disrupted Day if, in relation to "**Averaging Date Disruption**", the consequence specified in the Final Terms is:

- (i) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date, provided that if through the operation of this provision there would not be an Averaging Date with respect to the relevant Valuation Date, then Conditions 7.1 or 7.2, as the case may be, will apply for the purposes of determining the relevant level, price or amount on the final Averaging Date with respect to that Valuation Date as if such Averaging Date were a Valuation Date that was a Disrupted Day. If any Averaging Dates in relation to a Valuation Date occur after that Valuation Date as a result of the occurrence of a Disrupted Day, then the relevant Maturity Date, Security Delivery Date or Early Redemption Payment Date, as the case may be, shall be determined by reference to the last such Averaging Date as though it were that Valuation Date; or
- (ii) "**Postponement**", then Condition 7.1 or 7.2 as the case maybe, will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date. If any Averaging Date in relation to a Valuation Date occurs after that Valuation Date as a result of the occurrence of a Disrupted Day, then the relevant Maturity Date, Physical Delivery Date or Early Redemption Payment Date, as the case may be, shall be determined by reference to the last such Averaging Date as though it were that Valuation Date; or
- (iii) "**Modified Postponement**", then:
 - (A) in the case of an Equity Linked Note or a Single Index Note, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, then (1) that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (2) the Determination Agent shall determine the relevant level or price for that Averaging Date in accordance with Condition 7.1 or 7.2 as the case may be; and

- (B) in the case of an Equity Basket Note or a Basket of Indices Note, the Averaging Date for each Underlying Security or Relevant Index not affected by the occurrence of a Disrupted Day shall be the date specified in the applicable Final Terms as an Averaging Date in respect of the relevant Valuation Date, and the Averaging Date for an Underlying Security or Relevant Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Underlying Security or Relevant Index. If the first succeeding Valid Date in respect of such Underlying Security or Relevant Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in relation to the relevant Scheduled Valuation Date, then (1) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of such Underlying Security or Relevant Index and (2) the Determination Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with Condition 7.1 or 7.2, as the case may be.

7.5 Index Modification, Cancellation, Disruption or Adjustment Event

If:

- (i) on or prior to any date on which the level of an Index is to be calculated, including without limitation any Averaging Date, (the "**Determination Date**") in respect of Single Index Notes or Basket of Indices Notes, a relevant Index sponsor (a "**Sponsor**") announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index and no successor Index exists (an "**Index Cancellation**"); or
- (ii) on any Determination Date in respect of Single Index Notes or Basket of Indices Notes the Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and together with an Index Modification and an Index Cancellation, an "**Index Adjustment Event**"),

then the Determination Agent shall on each relevant Determination Date determine if such Index Adjustment Event has a material effect on the relevant Notes and if so shall calculate the level of that Index by using, in lieu of a published level for the relevant Index, the level for that Index as at that Determination Date as determined by the Determination Agent in accordance with the formula for and method of calculating that Index last in effect prior to that Index Adjustment Event, but using only those securities that constituted the relevant Index immediately prior to that Index Adjustment Event (other than those securities that have since ceased to be listed on any relevant Exchange).

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent shall in its sole discretion rebase the Notes against a comparable Index so as to maintain the economic equilibrium of the Notes. If the Determination Agent determines in its absolute discretion that this is not possible, the Issuer may on such date elect to redeem the Notes in accordance with the applicable provisions of Condition 5 and pay the Fair Market Value of such Notes.

7.6 Credit Linked Notes

The terms and conditions of the Notes relating to the calculation of the Final Price of the relevant Reference Obligation, the Credit Event Redemption Amount and the Valuation Method, in the event that Conditions to Settlement are satisfied during the Notice Delivery Period, shall be set out in the applicable Final Terms.

7.7 Commodity Linked Notes

- (a) ISDA Determination

In relation to Commodity Linked Notes, in determining the Relevant Commodity Price for a Relevant Commodity or a Commodity Index, the terms of the 2005 ISDA Commodity Definitions, as published by the International Swaps and Derivatives Association, Inc. and as

amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Commodity Definitions**") shall be incorporated in the applicable Final Terms such that:

- (i) the Commodity Reference Price is as specified in the applicable Final Terms ;
- (ii) the Specified Price is as specified in the applicable Final Terms ;
- (iii) the Delivery Date (if any) is as specified in the applicable Final Terms ; and
- (iv) the Pricing Date(s) is/are date(s) as specified in the applicable Final Terms .

(b) Commodity Market Disruption Event and Disruption Fallback

If, in the opinion of the Determination Agent, a Commodity Market Disruption Event (as defined below) has occurred and is continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Commodity Price for that Pricing Date will be determined by the Determination Agent in accordance with the first applicable Disruption Fallback (as defined below) that provides a Relevant Commodity Price.

(c) Common Pricing

With respect to Notes relating to a Basket of Commodities, if "**Common Pricing**" has been selected in the applicable Final Terms as:

- (i) "Applicable" then, no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined on the Trade Date of the Notes as of the time of issue of the Note.
- (ii) "Inapplicable" then, if the Determination Agent determines that a Commodity Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity and/or Commodity Index in the basket (the "**Affected Commodity**"), the Relevant Commodity Price of each Relevant Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Commodity Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Commodity Price for the Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Reference Price.

All determinations made by the Determination Agent pursuant to this Condition will be conclusive and binding on the Noteholders, the Guarantor (where the Notes are issued by BCCL) and the relevant Issuer except in the case of manifest error.

(d) Correction to Published Prices

For purposes of determining or calculating the Relevant Commodity Price, if the price published or announced on a given day and used or to be used by the Determination Agent to determine the Relevant Commodity Price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days after the original publication or announcement, the Determination Agent may, in its sole discretion, recalculate relevant payment amount, using such corrected price. The Determination Agent shall notify the Issuer of any such correction, the revised Relevant Commodity Price and the relevant payment amount, as a result of that correction.

The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any liability whatsoever) to make such adjustments as it believes appropriate in circumstances where an event or events occur that the Issuer believes, in its sole discretion, should, in the context of the issue of Notes and the obligations of the Issuer thereunder, give rise to such adjustment as is necessary to preserve the economic equivalent of the obligations of the Issuer under the Notes and to maintain the economic equilibrium of the Notes.

(e) Adjustments to Commodity Index

- (i) If a Commodity Index with respect to a Commodity Reference Price is permanently cancelled or is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the "Sponsor") but (i) is calculated and announced by a successor sponsor (the "Successor Sponsor") acceptable to the Determination Agent, or (ii) replaced by a successor index (the "Successor Index") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Commodity Index, then the Commodity Reference Price will be determined by the Index so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be.
- (ii) If, for a Commodity Index with respect to a Commodity Reference Price, on or prior to the Maturity Date or Early Redemption Date, (i) the Sponsor makes a material change in the formula for or the method of calculating such Commodity Index or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent commodities and weightings and other routine events), or (ii) the Sponsor permanently cancels the Commodity Index or (iii) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index, then the Determination Agent may at its option (in the case of (i)) and shall (in the case of (ii) and (iii)) (such events (i) (ii) & (iii) to be collectively referred to as "Index Adjustment Events") calculate the relevant Specified Price using in lieu of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Index Adjustment Event (as the case may be), but using only those futures contracts that comprised that Index immediately prior to the relevant Index Adjustment Event (as the case may be) (other than those futures contracts that have ceased to be listed on any relevant exchange).

(f) Adjustments to payment dates or settlement dates

If, as a result of a delay pursuant to the occurrence of a Commodity Market Disruption Event or Index Adjustment Event, a Relevant Commodity Price is unavailable to determine any amount payable on any scheduled payment date or settlement date, that payment date or settlement date will be delayed to fall on the second Business Day following the determination of the Relevant Commodity Price under the Disruption Fallback provision or Adjustments to Commodity Index provision, as the case may be. If a corresponding amount would otherwise have been payable in respect of the Notes on the same date that the delayed amount would have been payable but for the delay, the payment date or settlement date for that corresponding amount will be delayed to the same extent.

(g) Definitions for Commodity Linked Notes

"**Commodity Market Disruption Event**" means the occurrence of any of the following events:

(A) with respect to a Relevant Commodity:

- (1) Price Source Disruption;
- (2) Trading Disruption;
- (3) Disappearance of Commodity Reference Price;
- (4) Material Change in Formula;
- (5) Material Change in Content; and
- (6) any additional Commodity Market Disruption Events specified in the applicable Final Terms.

- (B) With respect to a Commodity Index:
- (i) a temporary or permanent failure by the applicable exchange or other price source to announce or publish (a) the final settlement price for the Commodity Reference Price or (b) closing price for any futures contract included in the Commodity Reference Price;
 - (ii) a material limitation, suspension or disruption of trading in one or more of the futures contracts included in the Commodity Reference Price which results in a failure by the exchange on which each applicable futures contract is traded to report a closing price for such contract on the day on which such event occurs or any succeeding day on which it continues; or
 - (iii) the closing price for any futures contract included in the Commodity Reference Price is a "limit price", which means that the closing price for such contract for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable exchange rules.

"Disruption Fallback" means a source or method that may give rise to an alternative basis for determining the Relevant Commodity Price in respect of a specified Commodity Reference Price when a Commodity Market Disruption Event occurs or exists on a day that is a Pricing Date in respect of the relevant Note. A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified in the applicable Final Terms, shall be deemed to mean:

- (A) With respect to a Relevant Commodity, (in the following order):
- (i) Fallback Reference Price (if applicable);
 - (ii) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Price within that two consecutive Commodity Business Days); and
 - (iii) Calculation Agent Determination.
- (B) With respect to a Commodity Index, the following fallback determination mechanism:
- (i) with respect to each futures contract included in the Commodity Reference Price which is not affected by the Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract on the applicable determination date;
 - (ii) with respect to each futures contract included in the Commodity Reference Price which is affected by the Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract on the first day following the applicable determination date on which no Market Disruption Event is occurring with respect to such contract;
 - (iii) subject to Clause (iv) below, the Determination Agent shall determine the Relevant Commodity Price by reference to the closing prices determined in Clauses (i) and (ii) above using the then-current method for calculating the Relevant Commodity Price; and
 - (iv) where a Commodity Market Disruption Event with respect to one or more futures contracts included in the Commodity Reference Price continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Commodity Price in good faith and in a commercially reasonable manner.

"Fallback Reference Price", in respect of Commodity Linked Notes, means that the Determination Agent will determine the Relevant Commodity Price based on the price for that Pricing Date of the first alternate Commodity Reference Price, if any, specified in the applicable Final Terms and not subject to a Commodity Market Disruption Event.

"Calculation Agent Determination" in respect of Commodity Linked Notes, means that the Determination Agent will determine the Relevant Commodity Price (or a method for determining the Relevant Commodity Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.

"Delayed Publication or Announcement", in respect of Commodity Linked Notes, means that the Relevant Commodity Price for a Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date) or the Relevant Commodity Price continues to be unavailable for two consecutive Commodity Business Days. In that case, the next Disruption Fallback specified in the applicable Final Terms will apply.

"Postponement", in respect of Commodity Linked Notes, means that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist for two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date). In that case, the next Disruption Fallback specified in the applicable Final Terms will apply.

"Trading Day" means, for the purposes of "Disruption Fallback" and Section 7.7(e), a day when:

- (i) the Determination Agent is open for business in London and New York.; and
- (ii) the exchanges of all futures contracts included in the Commodity Reference Price are open for trading.

8. ADJUSTMENTS

8.1 Equity Linked Notes and Equity Basket Notes

The Issuer may at any time determine and declare that a Potential Adjustment Event has occurred. Following such declaration by the Issuer of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Underlying Shares and, if so, will (i) make the corresponding adjustment(s), relevant to the exercise, settlement, payment or other terms of the Notes as the Determination Agent determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date(s) of the adjustment(s). The Determination Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Underlying Shares traded on that options exchange.

(a) Consequences of Merger Events

Following the occurrence of any Merger Event (as determined by the Determination Agent in its sole discretion), the Issuer shall either (1) make such adjustment as it, in its sole discretion, considers appropriate, if any, to the formula for the Redemption Amount and/or the Early Redemption Amount set out in the relevant Final Terms, the number of Underlying Shares to which each Note relates, the number of securities constituting a Basket of Securities, the amount, the number of or title of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement or payment terms of the relevant Notes and/or any other adjustment, which change or adjustment shall be effective as soon as practicable after the date upon which all, or substantially all, holders of the Underlying Shares (other than, in the case of a takeover, Underlying Shares owned or controlled by the offeror) become bound to transfer the Underlying Shares held by them; or (2) if the Determination Agent determines that no adjustment that it could make under (1) will produce a commercially reasonable result, determine that the relevant Notes should be redeemed early. If the Issuer determines that the relevant Notes should be redeemed early, then the relevant Notes shall be so redeemed and the relevant Issuer's obligations under the Notes shall be satisfied in full upon payment of the Merger Event Settlement Amount on the Early Redemption Payment Date.

(b) *Nationalisation, Insolvency and Delisting*

Any of the Noteholders, the Issuer, the Determination Agent or the Issue and Paying Agent shall, upon becoming aware of the occurrence of a Nationalisation, Insolvency or Delisting, notify the Issuer, the Issue and Paying Agent, the Determination Agent or the Noteholders, as the case may be, of such an event.

As a consequence of a Nationalisation, Insolvency or Delisting, the Notes will be redeemed as of the Announcement Date and the Issuer will pay to the Noteholder the amount specified in Condition 8.1(c) below.

(c) *Payment to the Noteholder upon a Nationalisation, Insolvency or Delisting*

(i) If Condition 8.1(b) applies, then the Issuer will pay to the Noteholder an amount determined as provided in clause (ii) below, such payment to be made not later than three Business Days following the determination by the Determination Agent of such amount (denominated in the currency for settlement of the transaction as determined by the Determination Agent).

(ii) The amount to be paid by the Issuer to the Noteholder under clause (i) above will be the amount determined by the Determination Agent after the date of the occurrence of the Nationalisation, Insolvency or Delisting, as the case may be, failing which it will be determined by the Determination Agent and based on quotations sought by it from four leading market dealers. Each quotation will represent the quoting dealer's expert opinion as to the fair value to the Noteholder on terms that would preserve for the Noteholder the economic equivalent of any payment or delivery (assuming satisfaction of each applicable condition precedent) by the parties in respect of the Notes that would have been required after that date but for the occurrence of the Nationalisation, Insolvency or Delisting. Each quotation will be calculated on the basis of the following information provided by the Determination Agent (and such other factors as the quoting dealer deems appropriate):

(A) a volatility equal to the average of the volatility of the relevant Underlying Shares for each Exchange Business Day during the two-year historical period ending on the Announcement Date of the Nationalisation, Insolvency or Delisting;

(B) expected dividends for the period from the Issue Date to the expected Maturity Date based on, and payable on the same dates as, amounts determined by the Determination Agent to have been paid in respect of gross ordinary cash dividends on the relevant Underlying Shares in the calendar year ending on the Announcement Date; and

(C) a value ascribed to the relevant Underlying Shares equal to the consideration, if any, paid in respect of such Underlying Shares to holders of such Underlying Shares at the time of the Nationalisation or Insolvency.

If more than three quotations are provided, the amount will be the arithmetic mean of the quotations, without regard to the quotations having the highest and the lowest values. If exactly three quotations are provided, the amount will be the quotation remaining after disregarding the highest and the lowest quotations. For this purpose, if more than one quotation has the same highest or lowest value, then one of such quotations will be disregarded. If two quotations are provided, the amount will be the arithmetic mean of the quotations. If one quotation is provided, the amount will equal the quotation. If no quotation is provided, the amount will be determined by the Determination Agent in its absolute discretion.

(d) *Tender Offers*

If there occurs a Tender Offer (as determined by the Determination Agent in its absolute discretion), then on or after the relevant Tender Offer Date, the Underlying Company and the Underlying Shares will not change, but the Determination Agent shall either (1) make such

adjustment to the exercise, settlement, payment or other terms of the relevant Notes as the Determination Agent considers appropriate to account for the economic effect on the relevant Notes of such Tender Offer and determine the effective date of that adjustment or (2) if the Determination Agent determines that no adjustment that it could make under (1) will produce a commercially reasonable result, determine that the relevant Notes should be redeemed early.

If the Issuer determines that the relevant Notes should be redeemed early, then the relevant Notes shall be so redeemed and the relevant Issuer's obligations under the Notes shall be satisfied in full upon payment of the Merger Event Settlement Amount on the Early Redemption Payment Date.

(e) *Substitution of Shares*

If Substitution of Shares is specified as applicable in the applicable Final Terms, if any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the "**Affected Shares**") then without prejudice to any other rights that the Issuer may have under the Notes, the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Affected Shares with substitute shares (the "**Substitute Shares**") as selected by the Determination Agent in its sole discretion for inclusion in the Basket of Shares as of the Announcement Date or the Tender Offer Date (such dates together, the "**Relevant Date**"), as the case may be.

The Substitute Shares shall have such criteria as the Determination Agent deems appropriate including, but not limited to, the following:

- (i) the Substitute Shares shall be of same broad economic sector as the Underlying Company of the Affected Shares;
- (ii) the issuer of the Substitute Share shall be of a similar international standing and creditworthiness as the Underlying Company of the Affected Shares; and
- (iii) the Substitute Share shall not be a Share already in the Basket of Shares.

The Initial Price of the Substitute Shares shall be determined in accordance with the following:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Share}(k)/\text{Affected Share}(j))$$

where:

"**Substitute Price**" means the official closing price per Share of the relevant Substitute Shares as of the Valuation Time on the dates on which the Affected Share(j) is determined or if such date is not a Scheduled Trading Date on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Date of the Substitute Shares.

"**Affected Share(k)**" means the Initial Price of the relevant Affected Shares; and

"**Affected Share(j)**" means the last closing price per Share of the Affected Shares on or prior to the Relevant Date.

The Determination Agent shall notify the Noteholders as soon as practicable after the selection of the Substitute Shares and the failure by the Determination Agent to give such notice shall not however prejudice or invalidate the Substitute Shares being included in the Basket of Shares as of the time and date specified above.

8.2 Single Index Notes and Basket of Indices Notes

In relation to Single Index Notes and Basket of Indices Notes, the following adjustments will occur in the following circumstances:

(a) *Third Party Calculation of the Index or Substitution of Index with Substantially Similar Calculation*

If an Index is (1) not calculated and announced by the Sponsor but is calculated and announced by a successor sponsor acceptable to the Determination Agent or (2) replaced by a successor index using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then (x) the index as calculated and announced by the successor sponsor or (y) the successor index, will be deemed to be the Index.

(b) *Correction of an Index*

If the level of an Index published on any Determination Date and used or to be used by the Determination Agent to determine the relevant Index value is subsequently corrected and the correction is published by the Sponsor or a successor sponsor prior to the second Exchange Business Day preceding the Maturity Date or the Early Redemption Date, the Determination Agent shall recalculate the Redemption Amount or the Early Redemption Amount, as the case may be, using such corrected level of the relevant Index. The Determination Agent shall notify the Issuer and the Issue and Paying Agent and the Issue and Paying Agent shall notify the Noteholders of (1) that correction and (2) the amount that is payable as a result of that correction.

8.3 Other Adjustments

Adjustments will not be made in any circumstances other than those set out above, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any liability whatsoever) to make such adjustments as it believes appropriate (including, without limitation, adjustment to the Conditions) in circumstances where an event or events occur that the Issuer believes, in its sole discretion and notwithstanding any prior or concurrent adjustment made pursuant to the above, should, in the context of the issue of Notes and the obligations of the Issuer thereunder, give rise to such adjustment as is necessary to preserve the economic equivalent of the obligations of the Issuer under the Notes and to maintain the economic equilibrium of the Notes.

Notwithstanding that an adjustment is required to be made by the provisions of this Condition 8 in respect of any event affecting an Underlying Company or its Underlying Securities, or an Index or its Sponsor, the Issuer reserves the right not to make that adjustment if, at the time the adjustment is to be made pursuant thereto, an option on the relevant Underlying Share or Index is traded on any Futures or Options Exchange and no adjustment is made by that Futures or Options Exchange to the entitlement under that traded option in respect of that event.

8.4 Notice of Adjustments

All determinations made by the Determination Agent or the Issuer pursuant to this Condition 8 shall be conclusive and binding on the Noteholders except in the case of manifest error. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 16.

8.5 Required Certifications

Notwithstanding the redemption of any Notes under this Condition 8 or under Condition 15, the holder of any such Notes shall not be entitled to receive payment for such Notes until such time as it shall have delivered a notice containing the information required by Condition 6.3(b)(i) or (ii) (as applicable), together with the relevant US certification as required by Condition 6.3(c), (d) or (e) (as appropriate) to the Relevant Clearing System (with a copy to the Issue and Paying Agent).

9. LIMITS ON NUMBER OF NOTES THAT CAN BE REDEEMED

9.1 Minimum number of Notes redeemable

In respect of each Series of Notes, the Final Terms shall specify the minimum number of Notes that a Noteholder may require the Issuer to redeem at any one time in connection with an early redemption

pursuant to Condition 5 or 6, and such Notes may only be redeemed by a Noteholder in such minimum units thereof.

9.2 Multiples of Notes redeemable

In respect of each Series of Notes, the Final Terms shall specify the multiple of Notes, if any, that a Noteholder may require the Issuer to redeem at any one time in connection with an early redemption pursuant to Condition 5 or 6, and such Notes may only be redeemed by a Noteholder in integral multiples thereof.

9.3 Maximum number of Notes redeemable

If the relevant Final Terms specify that the Notes are redeemable at the option of the Noteholders pursuant to Condition 5.2, the Final Terms may specify the maximum number of Notes redeemable (the "**Daily Maximum Amount**") on any particular day. If the Issue and Paying Agent determines on the Early Redemption Date that Early Redemption Notices given by Noteholders pursuant to Condition 5.2 in respect of more than the Daily Maximum Amount have been received by the Relevant Clearing System from any single Noteholder or from a group of Noteholders acting in concert, then the Issue and Paying Agent may deem the Early Redemption Date for Notes up to this Daily Maximum Amount (selected, in each case, by the Issue and Paying Agent on a *pro rata* basis, to the extent possible, (failing which such selection to be by lot in accordance with the rules of the Relevant Clearing System) to ensure that such Noteholder or group of Noteholders submitting an Early Redemption Notice pursuant to Condition 5.2 is, notwithstanding the provisions of this Condition 9.3, complying with Conditions 9.1 and 9.2) to be such day, and the Early Redemption Date for each additional number of Notes up to this Daily Maximum Amount (and any remaining number thereof) to be each of the succeeding Business Days until all Notes, in respect of which Early Redemption Notices given by Noteholders pursuant to Condition 5.2 have been received, have been attributed with an Early Redemption Date.

9.4 Minimum board lot

Notwithstanding Conditions 9.1, 9.2 and 9.3, Notes may only be redeemed in such amounts as will ensure that the number of Underlying Securities to be delivered is equal to an integral multiple of a Board Lot (as defined below). Underlying Securities will be delivered by the Issuer only in integral multiples of the applicable Board Lot. In circumstances where Notes are not capable of being redeemed in amounts that would result in the purchase of a number of Underlying Securities equal to an integral multiple of the relevant Board Lot, the Issuer shall pay the Noteholder an amount (a "**Board Lot Payment**") equal to:

$$(B - D) \times C \times E$$

where:

- B : the number of the Noteholder's Notes that are being redeemed;
- C : the number of Underlying Securities or equity units in respect of which the Noteholder is entitled to receive delivery on redemption of a Note;
- D : the maximum number of the Noteholder's Notes that can be redeemed on the Maturity Date or Early Redemption Date, as the case may be, and would result in the purchase of Underlying Securities equal to an integral multiple of the relevant Board Lot;
- E : the Settlement Price of the Underlying Securities on the Valuation Date;

unless the amount of any such Board Lot Payment is less than £1 or its equivalent in the relevant currency, in which case, no Board Lot Payment shall be made.

10. PAYMENTS

10.1 Bearer Notes

Payments of principal in respect of Notes in bearer form will be made against presentation and surrender of the relevant Notes to the Issue and Paying Agent at the office of the Principal Paying Agent specified in the applicable Final Terms.

Payments of interest in respect of Notes in bearer form will be made against presentation of the relevant Notes to the Issue and Paying Agent at the office of the Issue and Paying Agent specified in the applicable Final Terms, subject, in the case of payments made in respect of principal (and interest if any) in respect of the Temporary Global Note of any Series, to certification of non-US beneficial ownership as provided in the relevant Temporary Global Note.

In either case, with regard to bearer Notes in global form, such payments will be made by transfer to the account of the bearer held with Euroclear or Clearstream, Luxembourg.

If a Note in bearer form is presented for payment of principal at the office of any Issue and Paying Agent in the United States or its territories in circumstances where interest (if any is payable against presentation of such Note) is not to be paid there, the relevant Issue and Paying Agent will annotate such Note with the record of the principal paid and return it to the Holder for the obtaining of interest elsewhere.

If the due date for any payment in respect of any Note is not a Payment Day, then payment will not be made until the next succeeding Payment Day, and the holder thereof shall not be entitled to any further payment in respect of such delay.

Holders of Notes in bearer form will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any such Note as a result of a transfer made in accordance with this Condition 10.1 arriving to such holder's account after the due date for payment.

A record of each payment made in respect of a Global Note of any Series in bearer form will be made on the relevant Global Note by or on behalf of the Issue and Paying Agent, and such record shall be *prima facie* evidence that the payment in question has been made.

None of the persons appearing from time to time in the records of Euroclear or Clearstream, Luxembourg as the holder of any portion of Notes shall have any claim directly against the Issuer in respect of any payment due on the Notes, and the Issuer's obligations to make any such payment shall be discharged by payment of the requisite amount to the bearer of the relevant Global Note.

Payments by the Issuers, Guarantor (where the Notes are issued by BCCL) or any Paying Agent, as the case may be, will be subject to any fiscal or other laws and regulations.

10.2 Registered Notes

Payments of principal in respect of each Registered Note (whether or not in global form) will (subject as provided below) 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 account designated by the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the third business day (being for the purpose of this Condition 10.2 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.

Payments of interest in respect of each Registered Note will (subject as provided below) be made on the relevant due date or next succeeding Business Day to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the "**Record Date**") by electronic transfer to such holder's account at the Relevant Clearing System or, in the case of Notes represented by certificates, by electronic transfer to the holder's account as designated in writing by the holder in accordance with Condition 16.2.

Payments of principal and interest in respect of Notes represented by a Global Note in registered form registered in the name of a nominee for DTC will, if such Notes are denominated in US dollars, be made in accordance with the above two paragraphs. Payments of principal and interest in respect of Notes represented by a Global Note in registered form registered in the name of a nominee for DTC will, if such Notes are denominated in a Currency other than US dollars, be made or procured to be made by the Issue and Paying Agent in the relevant Currency in accordance with the following provisions. The amounts in such Currency payable by the Issue and Paying Agent or its agent to DTC with respect to such Notes will be received from the Issuer by the Issue and Paying Agent who will make payments in such Currency by wire transfer of same day funds to the designated bank account in such Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of

interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date, to receive that payment in such Currency. The conversion Agent, after conversion of amounts in such Currency into US dollars, will deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Currency. The Master and Issue and Paying Agency Agreement sets out the manner in which such conversions are to be made. "**DTC business day**" means any day on which DTC is open for business.

Payment of principal (and interest if any) in respect of the Temporary Global Note of any Series will be subject to certification of non-US beneficial ownership as provided in the relevant Temporary Global Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a transfer made in accordance with this Condition 10.2 arriving to such holder's account after the due date for payment. No commissions or expenses shall be charged to such holders by the Registrar in connection with any payments of principal or interest in respect of the Registered Notes.

If the due date for any payment in respect of any Note is not a Payment Day, then payment will not be made until the next succeeding Payment Day in the relevant place, and the holder thereof shall not be entitled to any further payment in respect of such delay.

A record of each payment made in respect of a Registered Global Note of any Series will be made on the relevant Global Note by or on behalf of the Issue and Paying Agent, and such record shall be *prima facie* evidence that the payment in question has been made.

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. None of the persons appearing from time to time in the records of Euroclear or Clearstream, Luxembourg or DTC as the holder of any portion of Notes shall have any claim directly against the Issuer in respect of any payment due on the Notes, and the Issuer's obligations to make any such payment shall be discharged by payment of the requisite amount to the registered holder of the relevant Registered Global Note.

Payments by the Issuers, Guarantor (where the Notes are issued by BCCL) or any Paying Agent, as the case may be, will be subject to any fiscal or other laws and regulations.

11. THE ISSUE AND PAYING AGENT, THE REGISTRAR, THE DETERMINATION AGENT AND THE PAYING AGENTS

11.1 Changes in Agents

The Issuers reserve the right at any time (and in relation to all Notes or, as the case may be, the Notes of a given Series) to vary or terminate the appointment of the Issue and Paying Agent, the Registrar, the Transfer Agent, the Determination Agent and any Paying Agent and to appoint other or additional paying agents provided that (i) so long as any Notes are listed on the official list of the Financial Services Authority in its capacity as the competent authority under the Financial Services and Markets Act 2000 and traded on the London Stock Exchange's market for gilt edged and fixed income securities, there will always be a Paying Agent in London and (ii) there will always be a Paying Agent (which may be the Issue and Paying Agent) with a specified office in a European Union member state that will not be obliged to withhold or deduct amounts for or on account of tax pursuant to the European Union Directive on the taxation of savings income, which was adopted on 3 June 2003 and which implements the conclusions of the ECOFIN Council Meeting of 26-27 November 2000, or any law implementing or complying with, or introduced in order to conform to, such Directive. In acting under the Master Issue and Paying Agency Agreement, the Issue and Paying Agent, the Registrar, the Transfer Agents, the Determination Agent and the Paying Agents are acting solely as agents of the Issuers and do not assume any obligations or duty to, or any relationship of agency or trust for or with, the Noteholders.

11.2 Amendments to the Master Issue and Paying Agency Agreement

The Master Issue and Paying Agency Agreement may be amended by the parties to it without the consent of or notification to the Noteholders, for the purposes of (i) permitting the issue by either Issuer of additional Notes of any kind not contemplated herein, (ii) curing any ambiguity, (iii) curing, correcting or supplementing any defective provisions contained herein, (iv) in any manner which the parties may mutually deem necessary or desirable that will not materially adversely affect the interests of the Noteholders or (v) in any other manner with the prior consent of the requisite majority of Noteholders as specified in the Appendix of the Master Issue and Paying Agency Agreement.

11.3 Calculations

The Issue and Paying Agent and the Determination Agent, as appropriate, shall have no responsibility for errors or omissions in any calculations and determinations made hereunder, and all such calculations and determinations shall (save in the case of manifest error) be final and binding on the Issuer, the Guarantor (where the Notes are issued by BCCL), the Paying Agents, the Determination Agent and the Noteholders.

12. TAXATION

A Noteholder whose Notes are redeemed shall pay all Taxes payable in connection with (i) the payment of the Interest Amount, or the redemption of such Notes and/or the payment of the Redemption Amount and/or the Early Redemption Amount and/or the Credit Event Redemption Amount and/or the Cash Settlement Amount and/or the Disruption Redemption Amount or (ii) the transfer or delivery of Reference Assets or the Deliverable Obligations or Deliverable Amount and/or the relevant Transfer Documentation (including, in the case of a Reference Asset that is an equity unit, the transfer or delivery of any security comprised in such equity unit) as a result of such redemption. Neither the Issuer nor the Guarantor (where the Notes are issued by BCCL) is liable for or otherwise obliged to pay any Taxes that may arise as a result of the ownership, transfer, redemption or enforcement of any Note.

Except as otherwise specified in the relevant Final Terms, all payments of principal and interest in respect of the Notes shall be made without withholding or deduction for or on account of any present or future Taxes of whatever nature imposed or levied by or on behalf of (in the case of Notes issued by the Bank) the United Kingdom (or any authority or political subdivision thereof having power to tax) or (in the case of Notes issued by BCCL) the Cayman Islands (or any authority or political subdivision thereof having power to tax) unless the Issuer is required by law to withhold or deduct any such Taxes. In that event, the Issuer shall make such payment after such withholding or deduction.

In such event, the Issuer shall pay such additional amounts ("***Additional Amounts***") as may be necessary in order that the net amounts receivable by the relevant Noteholder after such withholding or deduction shall equal the respective amounts of principal and interest that would have been receivable by such Noteholder in the absence of such withholding or deduction. No Additional Amounts shall be payable, however, for or on account of any Taxes in respect of Notes:

- (a) to, or to a third party on behalf of, a Noteholder who is liable to such Taxes in respect of such Notes by reason of his having a connection with the United Kingdom or the Cayman Islands (as appropriate) other than the mere holding of the Notes; or
- (b) presented for payment more than 30 days after the date on which the relevant payment first became due (or, if the full moneys payable have not been duly received by the Issue and Paying Agent on or prior to such date, the date on which such moneys have been so received), except to the extent that the Noteholder would have been entitled to an Additional Amount on presenting such Note for such payment on the last day of such 30 day period; or
- (c) where such withholding or deduction is imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (d) presented for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent without such deduction or withholding; or
- (e) unless it is proved, to the satisfaction of the Issuer and Paying Agent or the Paying Agent to whom the same is presented, that the Noteholder is unable to avoid such withholding or deduction by satisfying any applicable certification, identification or reporting requirements or by making a declaration of non-residence or other similar claim for exemptions to the relevant tax authorities.

The imposition of withholding or deduction on all payments in respect of the Notes by or on behalf of (i) the Issuer will be an "**Issuer Tax Event**" and (ii) the Guarantor, where the Notes are issued by BCCL, will be a "**Guarantor Tax Event**" if, in either case, such withholding or deduction is required by law.

13. PRESCRIPTION

Any claim including, but not limited to, claims for principal, premium (if any) and/or interest (if any) against the Issuer in respect of any Notes (whether in bearer or registered form) will become void unless such Note is presented for payment within a period of six years from the Maturity Date.

14. REPLACEMENT OF NOTES

Should any Note in respect of any Series of Notes be lost, stolen, mutilated, defaced or destroyed it may, subject to all applicable laws and the Relevant Stock Exchange requirements, be replaced at the specified office of a Paying Agent or (in the case of certificates) the Registrar upon payment by the claimant of the expenses and Taxes incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. If any Note is mutilated or defaced it must be surrendered before replacements will be issued.

15. UNLAWFULNESS OR IMPRACTICABILITY

The Issuer shall have the right to redeem the Notes if the Determination Agent determines that the performance of the obligations of the Issuer or the obligations of the Guarantor (where BCCL is the Issuer) under the Notes, or any arrangements made to hedge the Issuer's obligations under the Notes, have or shall become unlawful in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power. The Issuer shall further have the right to redeem the Notes if the Determination Agent determines that by reason of force majeure or act of state occurring after the Issue Date on any day the Issuer or the Guarantor (in the case of Notes issued by BCCL) is prevented from performing any absolute or contingent obligation to make a payment or delivery in respect of such Notes or from complying with any other material condition of the Notes (or would be so prevented if such payment, delivery or compliance were required on that day) or it becomes impossible or impracticable for the Issuer or Guarantor so to perform or comply (or it would be impossible or impracticable for the Issuer or Guarantor so to perform or comply if such payment, delivery or compliance were required on that day) so long as the force majeure or act of state is beyond the control of the Issuer or Guarantor and the Issuer or the Guarantor could not, after using all reasonable efforts (which will not require the Issuer or the Guarantor to incur a loss other than immaterial, incidental expenses) overcome such prevention, impossibility or

impracticability. In such circumstances, the Issuer will, as soon as practicable following such determination, pay to each Noteholder in respect of each Note held by it an amount determined by the Determination Agent, after consultation with an investment bank of international repute chosen by the Issuer in its sole discretion, as representing the fair market value (the "*Fair Market Value*") of a Note immediately prior to such termination.

Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 16, as applicable and shall be subject to receipt of the required notice described under Condition 6.5(a)(iii) or 6.5(b)(iii).

16. NOTICES

16.1 To Noteholders

All notices to the Noteholders will be deemed to have been duly given and valid if:

- (a) published in a daily newspaper of general circulation in England (which is expected to be the *Financial Times*) or if this is not possible and subject to any required listing authority, stock exchange and/or quotation system approval, in one other leading English language daily newspaper with general circulation in Europe; or
- (b) sent to the Relevant Clearing System for transmission through it to the Noteholders in respect of such Series of Notes; or
- (c) in the case of certificates, sent by mail to the holders at their respective addresses recorded in the Register.

Any notice given to the Noteholders in accordance with this Condition 16 shall also be sent to the Relevant Stock Exchange and, where BCCL is the Issuer, the Guarantor. The Issuer shall ensure that notices are duly published in a manner which complies with the rules of the Relevant Stock Exchange on which the Notes are for the time being listed. Any notice under this Condition 16 shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first such publication or, if sent by mail, on the second day after mailing. If any such publication is not possible, notices may be published in any other leading English language daily newspaper with circulation in Europe.

16.2 To the Issuer, the Issue and Paying Agent and the Paying Agents

In respect of any Series of Notes, all notices to the Issuer, the Issue and Paying Agent, the Registrar and the Paying Agents must be sent to the address specified in the Base Prospectus or to such other person or place as shall be specified by the Issuer and/or the Issue and Paying Agent by notice given to Noteholders in accordance with this Condition 16.

17. SUBSTITUTION

17.1 The Issuer

Where the Issuer is BCCL, it shall be entitled at any time and from time to time, without the consent of the Noteholders, to substitute any subsidiary or holding company of the Issuer or any subsidiary of any such holding company in place of the Issuer (the "*New Issuer*") as obligor under the Notes of any Series, provided that (i) the New Issuer shall assume all obligations of the Issuer in relation to the Noteholders under or in relation to the Notes of such Series and (ii) the obligations of the New Issuer shall continue to be guaranteed by the Guarantor.

In the event of any such substitution, any reference in these Conditions to the Issuer shall be construed as a reference to the New Issuer. Such substitution shall be promptly notified to the Noteholders in accordance with Condition 16. In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Noteholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Noteholder.

17.2 The Guarantor

The Bank as Issuer and Guarantor shall be entitled at any time, without the consent of the Noteholders, to substitute any other entity the identity of which shall be in the absolute discretion of the Bank in place of the Bank as Issuer or, in relation to Notes issued by BCCL, the Guarantor (the "*New Issuer*" or "*New Guarantor*" as the case may be) to act as issuer in respect of Notes issued by it and as guarantor in respect of the obligations of BCCL under any Series of Notes issued by BCCL that is then outstanding under the Programme and any Series of Notes issued by BCCL thereafter, provided that (i) the New Issuer/New Guarantor's long term unsecured, unsubordinated and unguaranteed debt obligations are rated at least the same as the Bank's long term rating at the date on which the substitution is to take effect or the New Issuer/New Guarantor has an equivalent long term rating from another internationally recognised rating agency, (ii) the New Guarantor enters into a guarantee on substantially the same terms as the Master Deed Poll Guarantee (a "*New Guarantee*"), (iii) in the case of Restricted Notes, the new Issuer would not be an "investment company" required to register as such under the US Investment Company Act of 1940, as amended, and (iv) no event of default as set out in Condition 24 shall occur as a result thereof.

In the event of any such substitution, any reference in these Conditions to the Bank as Issuer or as Guarantor shall be construed as a reference to the New Issuer/New Guarantor and any reference to the Master Deed Poll Guarantee shall be construed as a reference to the New Guarantee. Such substitution shall be promptly notified to the Noteholders of each Series then outstanding in accordance with Condition 16. In connection with such right of substitution, the Bank as Issuer or as Guarantor shall not be obliged to have regard to the consequences of the exercise of such right for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Noteholder shall be entitled to claim from the Bank as Issuer or as Guarantor or the New Issuer/New Guarantor any indemnification or payment in respect of any tax consequence of any such substitution upon such Noteholder.

18. GOVERNING LAW

The Notes and the Master Issue and Paying Agency Agreement are governed by and shall be construed in accordance with English law. BCCL irrevocably agrees for the exclusive benefit of each Noteholder that the courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Notes and that accordingly any suit, action or proceeding (together, in this Condition, referred to as "*Proceedings*") arising out of or in connection with the Notes may be brought in such courts. Nothing contained in this Condition shall limit the right of any Noteholder to take Proceedings 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. BCCL agrees that process in connection with Proceedings in the courts of England will be validly served on it if served upon Barclays Capital Services Limited at its offices for the time being (being at the date hereof One Churchill Place, London E14 5HP).

19. SEVERABILITY

Should any of the provisions contained in the terms and conditions of the Notes be or become invalid, the validity of the remaining provisions shall not be affected in any way.

20. MODIFICATION AND MEETINGS

20.1 Modifications to the Conditions

The Issuer may, without the consent of the Noteholders, make any modification to these Conditions and/or any Notes (or, as the case may be, the Notes of any one or more Series) that in its opinion is not materially prejudicial to the interests of the Noteholder or that 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 of the jurisdiction in which the Issuer is incorporated. This Condition 20 shall apply in connection with any adjustments made to any of the Notes in accordance with Condition 8.

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 16 as soon as practicable thereafter. Failure to give, or non-receipt of, such notice will not affect the validity of such modification.

20.2 Meetings of Noteholders

The Master Issue and Paying Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Issue and Paying Agency Agreement) of a modification of the Conditions or the Master Issue and Paying Agency Agreement. At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the meeting shall be given to Noteholders.

Such a meeting may be convened by the Issuers, the Guarantor (where the Issuer is BCCL) or Noteholders holding not less than 10 per cent (by number) of the Notes for the time being outstanding. The quorum at a meeting of the Noteholders (except for the purpose of passing an Extraordinary Resolution) will be two or more persons holding or representing not less than 10 per cent (by number) of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders holding whatever the number of Notes so held or represented. The quorum at a meeting of Noteholders for the purpose of passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent (by number) of the Notes for the time being outstanding or at any adjourned meeting two or more persons being or representing Noteholders holding not less than 10 per cent (by number) of the Notes for the time being outstanding.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-fourths of the votes cast by Noteholders at such meeting as, being entitled to do so, vote in person or by proxy. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, regardless of whether they are present at the meeting, save for those Notes outstanding but in respect of which an Early Redemption Notice shall have been received as described in Condition 5.2 prior to the date of the meeting. Notes that have not been redeemed but in respect of which an Early Redemption Notice has been received as described in Condition 5 will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Noteholders. Resolutions can be passed in writing if passed unanimously.

21. FURTHER ISSUES

The Issuer shall be at liberty from time to time, without the consent of the Noteholders, to create and issue further Notes of any Series so as to form a single Series with the Notes of such Series.

22. PURCHASES

The Issuers or the Guarantor (where the Notes are issued by BCCL) or any affiliate of the Guarantor may at any time purchase or procure others to purchase Notes at any price on the open market or by tender or private treaty. Notes so purchased may be held, resold or cancelled.

23. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes by virtue of the Contracts (Rights of Third Parties) Act 1999.

24. EVENTS OF DEFAULT

The holder of any Note may give notice to the Issuer and Paying Agent that such Note is, and such Note shall accordingly immediately on such date (the "**Redemption Date**") become, due and repayable at the Early Redemption Amount on, or as soon as reasonably practicable following, the first date on which any of the following events has occurred and is continuing:

- (a) any principal or interest on such Notes has not been paid within 14 days following the due date for payment. The Bank or, as the case may be, BCCL shall not, however, be in default if such sums ("**Withheld Amounts**") were not paid in order to comply with a mandatory law, regulation or order of any court of competent jurisdiction. Where there is doubt as to the validity or applicability of any such law, regulation or order, the Bank or, as the case may be, BCCL will not be in default if it acts on the advice given to it during such 14 day period by independent legal advisers; or

- (b) the Bank or, as the case may be, BCCL breaches any provision of such Notes that is materially prejudicial to the interests of the holders of such Notes and that breach has not been remedied within 21 days after the Bank or BCCL, as the case may be, has received notice thereof from Noteholders of at least one-tenth in principal amount of the Notes of the relevant Series demanding redemption; or
- (c) in the case of Notes issued by BCCL, the Guarantee ceases to be effective; or
- (d) in the case of Notes issued by BCCL, an order is made or an effective resolution is passed for the winding up of BCCL or the Guarantor (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the holders of such Notes); or
- (e) in the case of Notes issued by the Bank, an order is made or an effective resolution is passed for the winding up of the Bank (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the holders of such Notes).

25. DEFINITIONS

Affected Jurisdiction means the jurisdiction of the Hedge Positions as specified in the applicable Final Terms.

Amortisation Yield means the yield, if any, as set out in the applicable Final Terms .

Announcement Date means (A) in respect of a Merger Event or Nationalisation or Delisting, the date of the first public announcement of a firm intention, in the case of a Merger Event, to merge or to make an offer and, in the case of a Nationalisation, to nationalise (whether or not amended or on the terms originally announced) and, in the case of a Delisting, the date of the first public announcement by the Exchange that the relevant shares will cease to be listed, traded or publicly quoted, that leads to the Merger Event or the Nationalisation or Delisting, as the case may be and (B) in respect of an Insolvency, the date of the first public announcement of the institution of a proceeding, presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, in each case as determined by the Determination Agent.

Asian Change in Law means that, on or after the Issue Date of any series of Notes (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole discretion that (X) it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire or dispose of Hedge Positions relating to the Notes or (Y) the Issuer or any of its Affiliates will incur a materially increased (as compared with the circumstances existing on the Issue Date) cost in relation to the performance of the Issuer's obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

Asian Hedging Disruption means that the Issuer or any of its Affiliates is unable, after using commercially reasonable efforts, to either (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Notes or (ii) freely realise, recover, receive, repatriate, remit or transfer the proceeds of Hedge Positions or the Notes between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

Asian Increased Cost of Hedging means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of Hedge Positions or the Notes between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction.

Averaging Date means, in respect of each Valuation Date, each date specified or otherwise determined in the manner specified in the Final Terms (or if such day is not a Scheduled Trading Day, the next following Scheduled Trading Day).

Bank means Barclays Bank PLC, a public limited company incorporated under the laws of England with registered number 1026167.

Bank Account means the cash account of the Issue and Paying Agent at the Relevant Clearing System as notified by the Issue and Paying Agent when requested by the relevant Noteholder or Issuer, as the case may be.

Basket Companies means, in relation to a particular Series of Notes, the companies identified in the applicable Final Terms as the companies whose securities and/or equity units comprise the Basket of Securities for such Series of Notes.

Basket of Commodities means, in relation to a particular Series of Notes, a basket composed of Relevant Commodities and/or Commodity Indices in the relative proportions specified in the applicable Final Terms.

Basket of Commodities Note means a Note, payments in respect of which will be calculated by reference to a Basket of Commodities as specified in the relevant Final Terms.

Basket Exchange Rate Note means a Note, payments in respect of which will be calculated by reference to a Basket of Exchange Rates as specified in the relevant Final Terms.

Basket of Exchange Rates means, in relation to a particular Series of Notes, the foreign currency exchange rates identified in the applicable Final Terms as the foreign currency exchange rates which comprise the Basket of Exchange Rates for such Series of Notes.

Basket of Indices means, in relation to a particular Series of Notes, a basket composed of each Index specified in the applicable Final Terms in the relative proportions indicated in the applicable Final Terms.

Basket of Indices Note means a Note, payments in respect of which will be calculated by reference to a Basket of Indices as are specified in the relevant Final Terms.

Basket of Securities means, in relation to a particular Series of Notes, a basket composed of Underlying Securities of each of the Basket Companies specified in the applicable supplement in the relative proportions and numbers of Underlying Securities of each Basket Company specified in the applicable Final Terms.

Basket of Shares means, in relation to a particular Series of Notes, a basket composed of Shares of each Basket Company specified in the applicable supplement in the relative proportions and numbers of Shares of each Basket Company specified in the applicable Final Terms.

BCCL means Barclays Capital (Cayman) Limited.

Board Lot means the minimum board lot for the trading of the Underlying Securities on the relevant Exchange as from time to time specified by such Exchange.

Board Lot Payment has the meaning given it in Condition 9.4.

Borrowed Money means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

Broken Coupon Amount means in relation to a Fixed Rate Note any amounts of interest which are due and payable by the Issuer on an Interest Payment Date which does not correspond with the Fixed Coupon Amount(s) which would otherwise be payable under the terms of the applicable Final Terms on such Interest Payment Date.

Business Day means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms ; and
- (b) either:
 - (i) in relation to any sum payable in a 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 currency (if other than London and any Additional Business Centre specified in the applicable Final Terms); or
 - (ii) in relation to any sum payable in euro, a day on which the TARGET System is open.

Business Day Convention means any of the business day conventions specified in Condition 4.7.

Cash Account means the cash account at the Relevant Clearing System designated by a Noteholder in a Maturity Redemption Notice, an Early Redemption Notice or a Noteholder's Notice, as the case may be, or otherwise notified to the Issuer.

Cash Settlement Amount means for each Undeliverable Obligation an amount calculated by the Determination Agent equal to the greater of (i) (A) the outstanding principal balance, Due and Payable Amount or Currency Amount, as applicable, of each Undeliverable Obligation multiplied by (B) the Final Price with respect to such Undeliverable Obligation less (C) any costs incurred by the Issuer in connection with, and (ii) zero.

Cash Settlement Date is deemed to be the date falling three Business Days after the calculation of the Final Price.

Certificate of Non-US Beneficial Ownership means a certificate or certificates to the effect that the beneficial owners of the Notes represented by the relevant Global Note are not, except to the extent permitted by US Treasury Regulations Section 1.163-5(c)(2)(i)(D), United States persons within the meaning of the Internal Revenue Code and the regulations thereunder.

Change in Law means that, on or after the Issue Date of any Series of Notes (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying Securities relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations under such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

Clearing System means, in respect of an Underlying Security relating to a Physically Settled Transaction, the clearing system specified as such for such Underlying Security in the Final Terms or any successor to such clearing system as determined by the Determination Agent. If the Final Terms do not specify a Clearing System, the Clearing System will be the principal domestic clearing system customarily used for settling trades in the relevant Underlying Security. If the Clearing System ceases to settle trades in such Underlying Security, the determination agent will, acting in good faith and in a commercially reasonable manner, select another method of delivery.

Clearing System Business Day means, in respect of a Clearing System, any day on which such Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

Clearstream, Luxembourg means Clearstream Banking, société anonyme and its successors and assigns.

Clearstream Rules means the Management Regulations of Clearstream, Luxembourg and the Instructions to Participants of Clearstream, Luxembourg, as may be from time to time amended, supplemented or modified.

Commodity Business Day means, in respect of a Commodity Linked Note, (a) in respect of any Note for which the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or would have been, but for the occurrence of a Commodity Market Disruption Event) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time and (b) in respect of any Note for which the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or would have published, but for the occurrence of a Commodity Market Disruption Event) a price.

Commodity Business Day Convention means, in respect of a Commodity Linked Note, any of the business day conventions specified in Condition 4.7.

Commodity Index means, in relation to a Commodity Linked Note, an index comprising various commodities, as is specified in the applicable Final Terms.

Commodity Linked Note means a Note, payments in respect of which will be calculated by reference to the price of a Relevant Commodity, Commodity Index or a Basket of Commodities, each as specified in the applicable Final Terms.

Commodity Reference Price means, in relation to a Commodity Linked Note, the commodity reference price specified in the applicable Final Terms.

Common Depositary means, in relation to a particular Series of Notes, whether listed on any Relevant Stock Exchange or elsewhere, such depositary outside the United Kingdom and the United States (and the possessions of the United States) as shall be specified in the relevant Final Terms with respect to such Series of Notes.

Conditions means the terms and conditions of the Notes as set out in Appendix 1 to the Master Issue and Paying Agency Agreement.

Conditions to Settlement in respect of a Credit Linked Note means the delivery by the Determination Agent to the Issuer of a Credit Event Notice that is effective during the Notice Delivery Period and the further conditions, if any, set out in the applicable Final Terms.

Credit Event means the occurrence during the Notice Delivery Period of any one or more of the Credit Events specified and defined in the applicable Final Terms or any additional Credit Event each as specified in the applicable Final Terms, as determined by the Determination Agent.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

Credit Event Determination Date means the date on which the Conditions to Settlement in respect of a Credit Linked Note are satisfied.

Credit Event Notice means, subject as provided in the applicable Final Terms, an irrevocable notice from the Determination Agent to the Issuer that describes a Credit Event that occurred during the Notice Delivery Period. A Credit Event Notice must contain a description in reasonable detail of the facts

relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

Credit Event Redemption Amount means the amount calculated in the manner and in accordance with the formula specified in the applicable Final Terms.

Credit Event Redemption Date means the day following the number of Business Days specified in the applicable Final Terms after the calculation of the Final Price.

Credit Linked Notes means a Note, payments in respect of which will be made by reference to the credit of a specified entity or entities, as specified in the applicable Final Terms.

Currency means the money in use of a country.

Currency Amount means, whenever an amount is denominated in a currency other than the Settlement Currency and is specified to be determined by reference to a Currency Amount, such amount converted to the relevant Settlement Currency using the Currency Rate.

Currency Linked Note means a Note, payments in respect of which are made in such currencies and by reference to such rates of exchange and/or formulae, as specified by the Issuer in the applicable Final Terms.

Currency Rate means:

- (a) the rate determined by the Determination Agent equal to the rate of conversion of the currency of the Deliverable Obligation into the Settlement Currency by reference to:
 - (i) if the Settlement Currency is US dollars, the Federal Reserve Bank of New York 10:00 am (New York time) mid-point rate as displayed on Reuters page FEDSPOT on the date that the Notice of Physical Settlement is deemed given, or in such other commercially reasonable manner as it shall determine; or
 - (ii) if the Settlement Currency is euro, the MEAN price as displayed on Reuters Page EUROFX/1 as of 12:00 pm (London time) on the date that the Notice of Physical Settlement is deemed given, or in such other commercially reasonable manner as it shall determine; or
- (b) if the Settlement Currency is not US dollars or euro, the rate determined by the Determination Agent in its sole and absolute discretion in a commercially reasonable manner.

Daily Maximum Amount has the meaning given it in Condition 9.3.

Day Count Fraction means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting an Interest Period, the "**Calculation Period**");

where:

- (a) if "**Actual/Actual (ISMA)**" is specified in the relevant Final Terms:
 - (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (ii) if the Calculation Period is longer than one Determination Period, the sum of:
 - (A) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the products of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in one year; and

- (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in one year.
- (b) if "*Actual/365*" or "*Actual/Actual (ISDA)*" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if "*Actual/365 (Fixed)*" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (d) if "*Actual/365 (Sterling)*" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365, or in the case of an Interest Payment Date falling in a leap year, 366;
- (e) if "*Actual/360*" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (f) if "*30/360*" or "*Bond Basis*" is specified in the applicable relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (g) if "*30E/360*" or "*Eurobond Basis*" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

Deed of Covenant means the deed dated on or about 16 December 2005 (as may be from time to time amended, supplemented or modified) and entered into by each of the Issuers.

Default Requirement means the amount specified as such in the applicable Final Terms, or if none is specified, US\$20,000,000 or its equivalent as calculated by the Determination Agent in the relevant currency as of the occurrence of the relevant Credit Event.

Delisting means in respect of any Underlying Securities, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Underlying Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

Deliverable Amount means, in respect of each nominal amount of Notes equal to the lowest denomination, Deliverable Obligations as selected by the Determination Agent in its sole discretion with:

- (a) in the case of Deliverable Obligations that are Borrowed Money, an outstanding principal balance (including accrued but unpaid interest (as determined by the Determination Agent) if "Include Accrued Interest" is specified as applying in the applicable Final Terms, but excluding accrued but unpaid interest if "Exclude Accrued Interest" is specified as applying in the applicable Final Terms, and if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified as applying in the applicable Final Terms, excluding accrued but unpaid interest); or
- (b) in the case of Deliverable Obligations that are not Borrowed Money, a Due and Payable Amount,

(or, in the case of either (a) or (b), the equivalent Currency Amount of any such amount), in an aggregate amount as of the relevant Delivery Date equal to the lowest denomination of a Note less Deliverable Obligations with a market value determined by the Determination Agent in its sole discretion on the Business Day selected by the Determination Agent falling during the period from and including the Credit Event Determination Date to and including the Delivery Date equal to any costs which the applicable Final Terms specify are to be deducted from the Deliverable Amount (which may, without limitation, include the costs of the Issuer incurred in connection with the redemption of the Notes and related termination or re-establishment of any hedge or related trading position).

If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the outstanding principal balance of such obligation as of the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the outstanding principal balance of such obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

Deliverable Obligations has the meaning set out in the applicable Final Terms.

Delivery Date means, with respect to a Deliverable Obligation, the date such Deliverable Obligation is delivered and, with respect to a Commodity Linked Note, the date specified in the applicable Final Terms.

Determination Agent means Barclays Bank PLC or Barclays Capital Securities Limited or such other person as may be appointed by the Issuer in accordance with the Master Issue and Paying Agency Agreement. All determinations made by the Determination Agent pursuant to these Conditions will be notified to the Issue and Paying Agent in accordance with Condition 16.

Determination Date means the date on which the level of an Index is to be calculated.

Determination Period means the period from and including an Interest Payment Date to but excluding the next Interest Payment Date.

Disappearance of Commodity Reference Price means, in respect of a Commodity Linked Note, (A) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange; (B) the disappearance of, or of trading in, the Relevant Commodity; or (C) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the Relevant Commodity.

Disrupted Day means any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

Disruption Event has the meaning set out in Condition 7.3.

Disruption Redemption Amount means the Redemption Amount or Early Redemption Amount (as the case may be), calculated by the Determination Agent in its absolute discretion following the occurrence of a Disruption Event taking into consideration all available information that it deems relevant less the cost to the Issuer of unwinding any underlying related hedging arrangements.

Distribution Compliance Period means, except as modified in the applicable Final Terms, the period that ends 40 days after the completion of the distribution of each Series of Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue).

DTC means The Depository Trust Company.

Dual Exchange Rate means with respect to any Exchange Rate, that the Exchange Rate splits into dual or multiple currency exchange rates.

Due and Payable Amount means the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts).

Early Closure means the closure on any Exchange Business Day of the relevant Exchange (or in the case of a Single Index Note or Basket of Indices Note, any relevant Exchange(s) relating to securities that comprise 20 percent or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or any Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline of orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

Early Redemption Amount means, in relation to any particular Series of Notes, the amount specified in, or determined in the manner specified in, the applicable Final Terms, which will always be rounded down to the nearest minimum unit of the currency in which the payment of the Early Redemption Amount is made or, in relation to the early redemption of Notes pursuant to Condition 8.1(a), the Merger Event Settlement Amount.

Early Redemption Date means:

- (a) in relation to a particular series of Notes, subject to Conditions 7 and 8; or
- (b) in relation to a redemption of Notes pursuant to Conditions 5.2, 5.3 and 5.4

the date specified in the relevant Final Terms (and in the absence of any such specification shall be deemed to be the second Business Day after the Early Redemption Notice, the Special Redemption Notice or the Issuer Redemption Notice (as the case may be) is received, unless otherwise stated in the relevant Final Terms) provided that the Early Redemption Date must fall no later than 2 Business Days prior to the Maturity Date.

Early Redemption Notice means the notice referred to in Condition 6.3(a)(ii).

Early Redemption Payment Date means the date specified as such in the relevant Final Terms and if no such date is specified shall be the Early Redemption Date or the earliest practicable date thereafter.

Equity Basket Note means a Note, payments in respect of which will be calculated by reference to the Basket of Securities as specified in the relevant Final Terms.

Equity Linked Note means a Note, payments in respect of which will be calculated by reference to the Underlying Security or Securities as specified in the relevant Final Terms.

Euroclear means Euroclear Bank S.A./N.V. as operator of the Euroclear System.

Euroclear Rules means the terms and conditions governing the use of Euroclear and the Operating Procedures of Euroclear, as may be amended, supplemented or modified from time to time.

Exchange means:

- (a) in respect of an Index relating to Single Index Notes or Basket of Indices Notes, each exchange or quotation system specified as such for such Index or Indices in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index or Indices has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to the shares underlying such Index or Indices on such temporary substitute exchange or quotation system as on the original Exchange;
- (b) in respect of an Underlying Security relating to Equity Linked Notes or Equity Basket Notes, each Exchange or quotation system specified as such for each Underlying Security in the relevant Final Terms, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying Security has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to such Underlying Security on such temporary substitute exchange or quotation system as on the original Exchange; and

- (c) in respect of a Relevant Commodity relating to Commodity Linked Notes, each Exchange or principal trading market specified in the relevant Final Terms or Commodity Reference Price.

Exchange Business Day means any Scheduled Trading Day on which each Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time.

Exchange Disruption means any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Underlying Securities on the Exchange (or in the case of a Single Index or Basket of Indices Note, on any relevant Exchange(s) relating to securities that comprise 20 percent or more of the level of the relevant Index), or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Underlying Security or the relevant Index on any relevant related Exchange.

Exchange Rate means the rate of exchange of the Currency of one country for the Currency of another country, as specified in the applicable Final Terms .

Exchange Rate Time means the time or times on the relevant Pricing Date at which the relevant exchange rate will be taken for conversion into the currency in which any Redemption Amount or Early Redemption Amount, as the case may be, in respect of an issue of Notes is to be paid.

Failure to Pay means, following the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure.

Fair Market Value means in respect of each Note held by it, an amount determined by the Determination Agent after consultation with an investment bank of international repute chosen by the Issuer in its sole discretion, as representing the fair market value of a Note.

Final Price means the price of the Reference Obligation, expressed as a percentage, determined in accordance with the Valuation Method specified in the applicable Final Terms .

Fixed Coupon Amount means in relation to a Fixed Rate Note the amount of interest payable on each Interest Payment Date.

Fixed Rate means interest determined at a fixed rate of interest.

Fixed Rate Notes means Notes of any Series designated as such in the relevant Final Terms and **Fixed Rate Note** means any of them.

Floating Rate means interest determined at a floating rate of interest.

Floating Rate Notes means Notes of any Series designated as such in the relevant Final Terms , and **Floating Rate Note** means any of them.

Futures Contract means, in relation to a Commodity Linked Note, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Relevant Commodity or Commodity Index referred to in that Commodity Reference Price.

Futures or Options Exchange means the relevant exchange in options or futures contracts on the relevant Underlying Securities or the Relevant Index, as the case may be, as determined by the Determination Agent in its absolute discretion.

Global Note means a Temporary Global Note or a Permanent Global Note or any combination of the same as the case may be.

Governmental Authority means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or

public) charged with the regulation of the financial market (including the central bank) of the countries for which the Relevant Currencies are the lawful currencies.

Grace Period means:

- (a) subject to paragraphs (b) and (c) below, the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the later of the Issue Date and the date as of which such Obligation is issued or incurred;
- (b) if Grace Period Extension is specified as applying in the applicable Final Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified in the applicable Final Terms, 30 calendar days; and
- (c) if, at the later of the Issue Date and the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Business Days is applicable under the terms of such Obligation, a Grace Period of three Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applying in the applicable Final Terms, such deemed Grace Period shall expire no later than the Scheduled Maturity Date.

Grace Period Extension Date means, if:

- (a) Grace Period Extension is specified as applying in the applicable Final Terms, and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date,

the day that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

Group Company means any subsidiary of the Bank.

Guarantee means the master deed poll guarantee dated on or about 16 December 2005 (as may be from time to time amended, supplemented or modified) granted by the Guarantor for the benefit of each Creditor (as defined therein) pursuant to which the Guarantor has agreed to guarantee the payment obligations of BCCL in respect of any Notes issued by it under the Programme.

Guarantor means the Bank or any entity which assumes the obligations of Guarantor pursuant to Condition 17.2.

Guarantor Tax Event has the meaning ascribed to it in Condition 12 unless otherwise specified in the applicable Final Terms.

Hedging Disruption means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of issuing and performing its obligations with respect to the relevant Series of Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

Hedge Positions means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by the Issuer or any of its Affiliates in order to hedge individually or on a portfolio basis, the Issuer's obligations in respect of the Notes.

Illiquidity Disruption means in relation to an Exchange Rate the occurrence of an event whereby it becomes impossible to obtain a firm quote of the Settlement Rate for an amount to be determined by the Determination Agent on the Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source).

Increased Cost of Hedging means that the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any

transaction(s) or asset(s) it deems necessary to hedge the equity price risk of issuing and performing its obligations with respect to the relevant Series of Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

Index means any Proprietary Index or such other index as is specified in the relevant Final Terms, all as more particularly described in the Final Terms pertaining to a particular Series of Notes.

Indices means more than one Index.

Insolvency means that by reason of the voluntary or involuntary liquidation, bankruptcy or insolvency of or any analogous proceeding affecting an Underlying Company, (A) all the Underlying Securities of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Underlying Securities of that Underlying Company become legally prohibited from transferring them.

Interest Amount means the amount of interest payable in respect of any Note and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Coupon Amount, as the case may be.

Interest Basis means either Fixed Rate or Floating Rate or Zero Coupon, or any combination of Fixed Rate and Floating Rate, as specified in the applicable Final Terms.

Interest Commencement Date means, in respect of any series of Notes, the Issue Date or such other date as may be set out in the relevant Final Terms.

Interest Payment Date means, in respect of any series of Notes, the interest payment date as specified in the applicable Final Terms.

Interest Period means, in respect of any series of Notes, the period from and including one Interest Payment Date (or, in the case of the first Interest Period, the Interest Commencement Date) up to but excluding the next (or first) Interest Payment Date or such other meaning as may be set out in the relevant Final Terms.

Interest Rate means, in respect of any series of Notes, the rate or rates specified in the applicable Final Terms.

Issue and Paying Agent means JPMorgan Chase Bank, N.A. or such other person as may be appointed by the Issuer in accordance with the Master Issue and Paying Agency Agreement.

Issue Date has the meaning set out in Condition 1.1.

Issue Price means, in respect of any Series of Notes, the issue price of such Notes as specified in the applicable Final Terms.

Issuer means whichever of the Bank or BCCL is specified as Issuer in the applicable Final Terms.

Issuer Redemption Notice has meaning set out in Condition 6.3(a)(iii).

Issuer Tax Event has the meaning ascribed to it in Condition 12 unless otherwise specified in the applicable Final Terms.

London Stock Exchange means London Stock Exchange plc.

Manager means each of Barclays Bank PLC in its capacity as a manager and any other entity named as a manager in a set of Final Terms.

Margin means the percentage rate specified as the "Margin" in the relevant Final Terms.

Market Disruption Event means in respect of any Note relating to an Underlying Security or any Note relating to an Index, the occurrence or existence of (in each case if specified as applicable in the applicable

Final Terms) (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether any of a Trading Disruption, Exchange Disruption or Early Closure exists in respect of an Index at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the index attributable to that security and (y) the overall level of the Index, in each case immediately before the Market Disruption Event occurred.

Master Issue and Paying Agency Agreement means an agreement dated on or about 16 December 2005 (as may be from time to time amended, supplemented or modified), and entered into by the Issuers, the Issue and Paying Agent, the Determination Agent, the New York Agent and the Guarantor (in its capacity as such).

Master Subscription Agreement means an agreement dated on or about 16 December 2005 (as may be from time to time amended, supplemented or modified), and entered into by the Issuers, the Manager and the Guarantor (in its capacity as such).

Material Change in Content means, in respect of a Commodity Linked Note, the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or relevant Futures Contract.

Material Change in Formula means, in respect of a Commodity Linked Note, the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

Maturity Date means in respect of any Series of Notes, the date specified in the relevant Final Terms as the Maturity Date subject to the Modified Following Business Day Convention unless otherwise specified in such Final Terms .

Maturity Notice Time has the meaning set out in the relevant Final Terms , in the absence of which it shall be deemed to be 10:00 am London time.

Maturity Redemption Notice has the meaning set out in Condition 6.3(a)(i).

Merger Date means, in respect of a Merger Event, the date upon which all holders of the relevant Underlying Shares (other than, in the case of a takeover offer, Underlying Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Underlying Shares.

Merger Event means in respect of any relevant Underlying Shares, any:

- (a) reclassification or change of such Underlying Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Underlying Shares outstanding;
- (b) consolidation, amalgamation, merger or binding share exchange of the Underlying Company with or into another entity (other than a consolidation, amalgamation, merger or binding share exchange in which such Underlying Company is the continuing entity and which results in a reclassification or change of less than 20 per cent. of the relevant Underlying Shares outstanding);
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity for such Underlying Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Underlying Shares (other than such Underlying Shares owned or controlled by the offeror); or
- (d) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Shares outstanding but results in the outstanding Underlying Shares (other than Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Underlying Shares immediately following such event

if, in each case, the date on which the Determination Agent determines that such event occurs is on or before, in the case of a Physically Settled Transaction, the Maturity Date, or in any other case, the Valuation Date in respect of the relevant Note.

Merger Event Settlement Amount means an amount which the Determination Agent in its sole and absolute discretion, determines is the fair value to the Noteholder of a Note with terms that would preserve for the Noteholder the economic equivalent of any payment or delivery (assuming satisfaction of each applicable condition precedent) to which the Noteholder would have been entitled under the relevant Note after that date but for the occurrence of the Merger Event.

Nationalisation means that all the Underlying Shares or all the assets or substantially all the assets of the Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

New Issuer has the meaning given it in Condition 17.1.

New Guarantee has the meaning given it in Condition 17.2.

New Guarantor has the meaning given it in Condition 17.2.

New York Agent means JPMorgan Chase Bank, N.A., New York Branch.

Noteholder's Notice means a notice substantially in the forms set out in Appendix 8 of the Master Issue and Paying Agency Agreement (copies of which may be obtained from the specified offices of the Paying Agents) which, *inter alia*, contains details of the relevant Noteholder's Cash Account and Securities Account.

Notes means any notes which may from time to time be issued under the Programme.

Notice Delivery Period means the period from and including the Issue Date to and including (a) the Scheduled Maturity Date; (b) the Grace Period Extension Date if (i) Grace Period Extension is specified as applicable in the applicable Final Terms, (ii) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the Scheduled Maturity Date and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Scheduled Maturity Date; or (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied.

Number of Underlying Securities means in the case of (i) an Equity Linked Note, the number of Underlying Securities specified as such in the relevant Final Terms and (ii) no Equity Basket Note, the number of Underlying Securities of each Underlying Company comprised in the Basket of Securities, as specified in the relevant Final Terms.

Obligations in respect of a Credit Linked Note has the meaning set out in the applicable Final Terms.

Paying Agents means the Issue and Paying Agent and/or the Luxembourg Paying Agent and/or the Irish Paying Agent and any other paying agent that may be appointed from time to time pursuant to the Master Issue and Paying Agency Agreement.

Payment Day means any day which 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) in:
 - (i) the relevant place of presentation;
 - (ii) London;
 - (iii) any Additional Business Centre specified in the applicable Final Terms; and

- (b) either:
- (i) in relation to any sum payable in a 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 currency; or
 - (ii) in relation to any sum payable in euro, a day on which the TARGET System is open;

Payment Requirement means the amount specified as such in the applicable Final Terms or, if a Payment Requirement is not specified in the applicable Final Terms, US\$1,000,000, or its equivalent in the relevant currency as calculated by the Determination Agent, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

Physical Delivery Date means in relation to Underlying Securities or the Deliverable Amount to be delivered, subject to Condition 6.6, in respect of any Note, the date following a Maturity Date or Early Redemption Date or Credit Event Determination Date, as the case may be, being the first day on which settlement of a sale of such Underlying Securities or Deliverable Obligations comprising the Deliverable Amount executed on that Maturity Date or Early Redemption Date or Credit Event Determination Date, as the case may be, customarily would take place through the relevant Clearing System unless otherwise specified in the relevant Final Terms.

Physically Settled Transaction means in relation to any particular series of Notes, Notes in respect of which Underlying Securities may, at the option of the Issuer or the Noteholder (as the case may be) be delivered to the Noteholder, the delivery of which amounts to "**Physical Settlement**".

Postponement in relation to Commodity Linked Notes has the meaning set out in condition 7.7.

Potential Adjustment Event means any of the following:

- (a) a subdivision, consolidation or reclassification of the relevant Underlying Securities (unless a Merger Event), or, a free distribution or dividend of any such Underlying Shares to existing holders by way of bonus, capitalization or similar issue;
- (b) a distribution or dividend to existing holders of the relevant Underlying Securities of (i) such Underlying Securities, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Company equally or proportionately with such payments to holders of such Underlying Securities, or (iii) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other) at less than the prevailing market price as determined by the Determination Agent;
- (c) an extraordinary dividend;
- (d) a call by the Underlying Company in respect of the relevant Underlying Securities that are not fully paid;
- (e) a repurchase by the Underlying Company of relevant Underlying Securities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of the Underlying Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Underlying Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying Securities.

Potential Failure to Pay means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more

Obligations, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.

Price Source Disruption, means:

- (a) in relation to an Exchange Rate in respect of a Currency Linked Note, means it becomes impossible to obtain the Settlement Rate on the Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source); and
- (b) in respect of a Commodity Linked Note means (A) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

Pricing Date means, in respect of a Commodity Linked Note, the date specified in the applicable Final Terms.

Price Source means, in respect of a Commodity Linked Note, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated as) specified in the relevant Commodity Reference Price or otherwise in the applicable Final Terms containing the Commodity Reference Price.

Proceedings has the meaning given it in Condition 18.

Programme means the Structured Note Programme as defined in, established by and contemplated in the Master Issue and Paying Agency Agreement, as the same may be from time to time amended, supplemented or modified.

Proprietary Index means any proprietary index created by the Issuer or an associate of the Issuer and described in the relevant Final Terms.

Put means, in relation to a Physically Settled Transaction the right of the Issuer, if it so elects and subject to compliance with the Conditions, to transfer or procure the transfer of the Underlying Securities and Transfer Documentation to, or to the order of, the Noteholders as specified in the relevant Maturity Redemption Notice, in lieu of paying the Redemption Amount or Early Redemption Amount, as the case may be.

Rate Calculation Date means the Valuation Date or the Averaging Date, as appropriate.

Record Date has the meaning set out in Condition 10(b).

Redemption Amount means, in relation to a particular Series of Notes the amount specified in, or determined in the manner specified in, the relevant Final Terms, which will always be rounded down to the nearest minimum unit of the currency in which payment of the Redemption Amount is made.

Redemption Expenses means in respect of any Note or Notes, any expenses (other than in relation to Taxes) payable on or in respect of or in connection with the redemption of such Note or Notes.

Redemption Notice Time means, in relation to a particular Series of Notes the time specified in the relevant Final Terms as the time by which an Issuer Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, has to be delivered to the Relevant Clearing System for that Issuer Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, to be deemed to have been deposited with it/them on that Business Day and, in the absence of any such specification shall be deemed to be 10am London time.

Reference Asset means, in respect of any Note, any Underlying Security, Underlying Share, Deliverable Obligation or other non-cash asset, the price or level of which determines the Redemption Amount or the Early Redemption Amount of such Note.

Reference Entity means in respect of a Credit Linked Note, the entity named as such in the applicable Final Terms (if any are so specified or described).

Reference Obligation means, in respect of a Credit Linked Note, each obligation specified or of a type described as such in the applicable Final Terms (if any are so specified or described).

Reference Rate means the rate specified as such in the relevant Final Terms .

Register means the register of holders of Registered Notes maintained by the Registrar.

Registrar means J.P. Morgan Chase Bank (or any successor Registrar).

Related Exchange means, subject to the proviso below, in respect of an Index relating to Single Index Notes, Basket of Indices Notes or an Underlying Security relating to Equity Linked Notes or Equity Basket Notes, each exchange or quotation system specified as such for such Index or Share in the relevant Final Terms , any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Index or such Share has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however that where "All Relevant Stock Exchanges" is specified as the Related Exchange in the relevant Final Terms, "Related Exchange" shall mean each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Index or such Share.

Relevant Clearing System means, as appropriate, Euroclear, Clearstream, Luxembourg, DTC and/or such other Relevant Clearing System, as the case may be, through which interests in Notes are to be held and through an account at which the Notes are to be cleared specified in the applicable Final Terms .

Relevant Commodity means, in respect of a Commodity Linked Note, the commodity specified in the applicable Final Terms .

Relevant Commodity Price means, in respect of a Commodity Linked Note, for any Pricing Date, the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index determined with respect to that day for the specified Commodity Reference Price as specified in the relevant Final Terms .

Relevant Currencies means those currencies specified in the relevant Final Terms which comprise each Exchange Rate.

Relevant Date means the earlier to occur of:

- (a) the date on which all amounts due in respect of such Note have been paid; or
- (b) five days after the date on which the full amount of the moneys payable have been recovered by the Issue and Paying Agent and notice to that effect has been given to Noteholders in accordance with Condition 16.

Relevant Index means in respect of a Single Index Note or a Basket of Indices Notes, the relevant index or indices identified in the applicable Final Terms as the Index or Indices pertaining to a particular Series of Notes.

Relevant Rules means the Rules of the Relevant Clearing System.

Relevant Stock Exchange means, in respect of any Series of Notes, the stock exchange upon which such Notes are listed as specified in the relevant Final Terms , if any.

Repudiation/Moratorium, in respect of a Credit Linked Note, has the meaning set out in the applicable Final Terms .

Repudiation/Moratorium Evaluation Date, in respect of a Credit Linked Note, has the meaning set out in the applicable Final Terms .

Repudiation/Moratorium Extension Condition, in respect of a Credit Linked Note, has the meaning set out in the applicable Final Terms .

Rules means the Clearstream Rules, the Euroclear Rules and/or the terms and conditions governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Notes.

Scheduled Closing Time means, in respect of any Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after-hours or other trading outside regular trading session hours.

Scheduled Maturity Date, in respect of a Credit Linked Note, has the meaning specified in the applicable Final Terms .

Scheduled Trading Day means any day on which each Exchange and each Related Exchange are scheduled to open for trading for their respective regular trading sessions.

Securities Account means the securities clearance account of a Noteholder at the Relevant Clearing System to which Notes are credited.

Securities Act means the US Securities Act of 1933, as amended.

Series means the Notes of each original issue together with the Notes of any further issues expressed to be consolidated to form a single Series with the Notes of an original issue.

Settlement Currency means the currency specified as such in the applicable Final Terms .

Settlement Disruption Event means in relation to an Underlying Security, an event beyond the control of the parties as a result of which the relevant Clearing System cannot clear the transfer of such Underlying Security.

Settlement Price means, for the purposes of Condition 9.4, the price of the Underlying Securities or Relevant Index as determined by the Determination Agent in its absolute discretion.

Settlement Rate means, in relation to an Exchange Rate, for any Valuation Date in respect of a Maturity Date or an Early Redemption Date (as the case may be) the currency exchange rate equal to (i) the Settlement Rate specified or otherwise determined as provide in the related Final Terms or, (ii) if a Settlement Rate or a means of determining a Settlement Rate is not so specified, the Spot Rate for that Valuation Date.

Share means an equity security.

Single Exchange Rate Note means a Note, payments in respect of which will be calculated by reference to a single Exchange Rate as specified in the relevant Final Terms .

Single Index Note means a Note, payments in respect of which will be calculated by reference to the particular Index as specified in the relevant Final Terms .

Special Redemption Notice has the meaning set out in Condition 6.3(a)(iv).

Specified Price means, in respect of a Commodity Linked Note, the price specified in the applicable Final Terms.

Sponsor means, in relation to an Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to the relevant Index.

Spot Rate means, for any date, the exchange rate(s) determined in accordance with the method specified in the relevant Final Terms, or if not specified, the exchange rate at the time at which such exchange rate(s) is/are to be determined for foreign exchange transactions in the relevant Currencies for value on that date as determined by the Determination Agent in its absolute discretion.

TARGET Business Day means a day on which the TARGET System is operating.

TARGET System means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System.

Taxes means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other Taxes chargeable or payable in connection with any redemption of a Note and/or payment of the Redemption Amount, the Early Redemption Amount, the Credit Event Redemption Amount, the Cash Settlement Amount or the Disruption Redemption Amount (as the case may be) and/or the transfer or delivery of Underlying Securities, Deliverable Amounts or Deliverable Obligations (as the case may be) and/or the relevant Transfer Documentation (including, in the case of an Underlying Security, Deliverable Amount or Deliverable Obligation that is an equity unit, the transfer or delivery of any security comprised in such equity unit).

Tender Offer means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent and less than 100 per cent of the outstanding voting shares of the Underlying Company as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

Tender Offer Date means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Determination Agent).

Trading Disruption means:

- (a) any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange Related Exchange or otherwise (i) relating to the Underlying Security on the Exchange, or in the case of a Single Index Note or Basket of Indices Note on any relevant Exchange(s) relating to securities that comprise 20 per cent or more of the level of the relevant Index or Indices, or (ii) in futures or options contracts relating to the Underlying Securities or the relevant Index or Indices on any relevant Related Exchange; or
- (b) in respect of Commodity Linked Notes, the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Relevant Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:
 - (A) a suspension of the trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if:
 - (i) all trading in the Futures Contract or the Relevant Commodity is suspended for the entire Pricing Date; or
 - (ii) all trading in the Futures Contract or the Relevant Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Relevant Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
 - (B) a limitation of trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the

Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity on such day is at the upper or lower limit of that range.

Transaction means a particular series of Notes.

Transfer Documentation means, for each Series of Notes, such documentation as is generally acceptable for settlement of transfer of Underlying Securities or Deliverable Obligations on the relevant Exchange or through the Relevant Clearing System including, without limitation, stock notes and/or stock transfer forms in the case of settlement on the London Stock Exchange.

Undeliverable Obligation means a Deliverable Obligation included in the Deliverable Amount which on the settlement date for such Deliverable Obligation the Determination Agent determines for any reason it is impossible or illegal to deliver on such settlement date.

Underlying Company means the company which is the issuer of the Underlying Securities specified in the applicable Final Terms.

Underlying Security means, in relation to a particular Series of Notes as appropriate, an Underlying Share or the underlying bonds or debt securities to which such Notes relate specified as such in the applicable Final Terms.

Underlying Share means, in relation to a particular Series of Notes, a share or equity unit to which a Note relates or in the case of a Basket of Shares a share or equity unit forming part of a Basket of Shares to which such Note relates.

US Selling Restrictions means the various forms of selling restrictions in respect of the United States of America as set out in "Purchase and Sale — Selling Restrictions" below and in Appendix 1 of the Master Subscription Agreement.

Valid Date shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur.

Valuation Date means, in relation to a particular series of Notes, the date specified as such in the applicable Final Terms (or, if such date is not an Exchange Business Day the next following Business Day) unless there is a Disrupted Day in respect of any relevant Underlying Security or Index on that day in which event Condition 7 will apply and provided that such date is at least two Business Days prior to the Maturity Date (other than where the Notes are redeemed early pursuant to Condition 5.2, 5.3 or 5.4 in which case it will be the second Business Day preceding the Early Redemption Date).

Valuation Method means, in respect of a Credit Linked Note, the valuation method specified in the applicable Final Terms.

Valuation Time means the time specified as such in the relevant Final Terms, or if no such time is specified, Scheduled Closing Time on the relevant Exchange on the Valuation Date or Averaging Date, as the case may be, in relation to each Index or Underlying Security to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

Volatility means, in respect of any Exchange Business Day, the volatility (calculated by referring to the closing price of the relevant Underlying Securities on the Exchange) for a period equal to the number of days between the Announcement Date and the Maturity Date.

Zero Coupon means non interest bearing.

Zero Coupon Notes means Notes of any series designated as such in the relevant Final Terms.

BOOK-ENTRY PROCEDURES FOR DTC RESTRICTED GLOBAL NOTES

The DTC Restricted Global Notes will be issued in the form of registered notes in global form, without interest coupons. Upon issuance, one or more global notes will be deposited with the Agent as custodian for The Depository Trust Company ("*DTC*") and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in a global note will be limited to persons who have accounts with DTC (*DTC Participants*) or persons who hold interests through DTC Participants. The Issuers expect that under procedures established by DTC:

- upon deposit of a global note with DTC's custodian, DTC will credit portions of the principal amount of the global note to the accounts of the DTC Participants designated by the Manager; and
- ownership of beneficial interests in a global note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to other owners of beneficial interests in the global note).

Beneficial interests in a global note may not be exchanged for notes in physical, certificated form except in the limited circumstances described below.

Any global note and beneficial interests in the global note will be subject to restrictions on transfer as described under "Transfer Restrictions for Registered Notes."

Book-Entry Procedures for Global Notes

All interests in global notes will be subject to the operations and procedures of DTC. The following summary of those operations and procedures are provided solely for the convenience of investors. The operations and procedures of DTC are controlled by DTC and may be changed at any time. Neither the Issuers nor the Manager is responsible for those operations or procedures.

DTC has advised the Issuers that it is:

- a limited purpose trust company organized under the New York Banking Law;
- a "banking organization" within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's Participants include securities brokers and dealers, including the initial purchasers; banks and trust companies; clearing corporations and other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly. Investors who are not DTC Participants may beneficially own securities held by or on behalf of DTC only through DTC Participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a global note, that nominee will be considered the sole owner or holder of the notes represented by that global note for all purposes under the Master Issue and Paying Agency Agreement. Except as provided below, owners of beneficial interests in a global note:

- will not be entitled to have notes represented by a global note registered in their names;
- will not receive or be entitled to receive physical, certificated notes; and

- will not be considered the owners or holders of the Notes under the Master Issue and Paying Agency Agreement for any purpose, including with respect to the giving of any direction, instruction or approval to the Agent under the Master Issue and Paying Agency Agreement.

As a result, each investor who owns a beneficial interest in a global note must rely on the procedures of DTC to exercise any rights of a holder of notes under the Master Issue and Paying Agency Agreement (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC Participant through which the investor owns its interest).

Payments of principal, premium (if any), additional amounts (if any) and interest (if any) with respect to the Notes represented by a global note will be made by the Agent to DTC's nominee as the registered holder of the global notes. Neither the Issuers nor the Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a global note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a global note will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds.

Certificated Notes

Notes in physical, certificated form ("*certificates*") will be issued and delivered to each person that DTC identifies as a beneficial owner of the related notes only on the occurrence of one of the following events (for these purposes, an "*Exchange Event*"):

- DTC notifies the relevant Issuer at any time that it is unwilling or unable to continue as depository for the global notes and a successor depository is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depository is not appointed within 90 days; or
- the relevant Issuer, at its option, notifies the Agent that it elects to cause the issuance of certificated notes.

The laws of some countries and some states in the United States require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a global note to such persons may be limited to that extent. Because DTC can act only on behalf of DTC Participants, the ability of a person having beneficial interests in a DTC Restricted Global Note to pledge such interests to persons or entities that do not participate in the relevant clearing system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

USE OF PROCEEDS

Each Issuer intends to apply the net proceeds from the sale of any Notes either for hedging purposes or for general corporate purposes unless otherwise specified in the Final Terms relating to a particular Series of Notes.

TAXATION

General Taxation Information

The information provided below does not purport to be a complete summary of tax law and practice currently applicable to the Notes. Transactions involving Notes (including purchases, transfers or redemptions), the accrual or receipt of any interest or premium payable on the Notes and the death of a holder of any Note may have tax consequences for potential purchasers which may depend, amongst other things, upon the tax residence and/or status of the potential purchaser. Potential purchasers of Notes are therefore advised to consult their own tax advisers as to the tax consequences of transactions involving Notes and the effect of any tax laws in any jurisdiction in which they may be tax resident or otherwise liable to tax.

The following summaries do not consider the tax treatment of payments in respect of Underlying Securities, Deliverable Amounts or Deliverable Obligations. The taxation provisions applicable to such items may be different (and in some cases significantly different) from those described in the summary below.

Purchasers and/or sellers of Notes may be required to pay stamp taxes and other charges in addition to the issue price or purchase price (if different) of the Notes and in connection with the transfer or delivery of Underlying Securities, Deliverable Amounts or Deliverable Obligations.

United Kingdom Taxation

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Bank's understanding of current law and practice in the United Kingdom relating only to the United Kingdom withholding tax treatment of payments in respect of Notes. The following does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

1. Payment of interest on Notes

(i) *Payments of interest by the Bank*

The Bank, provided that it continues to be a bank within the meaning of section 840A of the Income and Corporation Taxes Act 1988 (the "*Act*"), and provided that the interest on the Notes is paid in the ordinary course of its business within the meaning of section 349 of the Act, will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom tax.

(ii) *Payments of interest in respect of Notes which are listed on a recognised stock exchange*

Payments of interest under Notes may be made without withholding or deduction for or on account of United Kingdom tax provided that such Notes are and remain listed on a "recognised stock exchange", as defined in section 841 of the Act. The London Stock Exchange is a recognised stock exchange. Under a interpretation by HM Revenue and Customs, the Notes will satisfy this requirement if they are listed by the relevant competent authority in the jurisdiction in which the Notes are to be listed and are admitted to trading by the relevant recognised stock exchange.

Provided, therefore, that the Notes are and remain so listed, interest on the Notes will be payable without withholding or deduction for or on account of United Kingdom tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

(iii) *Payments of interest to certain Noteholders*

Interest on the Notes may also be paid without withholding or deduction for or on account of United Kingdom tax where interest on the Notes is paid to a person who belongs in the United Kingdom and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that either:

- (a) the person beneficially entitled to the interest payable on the Notes is within the charge to United Kingdom corporation tax as regards the payment of such interest; or
- (b) the payment is made to one of the classes of exempt bodies or persons set out in section 349B(3) of the Act,

provided that HM Revenue and Customs has not given a direction (in circumstances where it has reasonable grounds to believe that it is likely that none of the conditions specified in section 349B of the Act will be satisfied in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

(iv) *Notes with a maturity of less than 365 days*

Interest on the Notes may also be paid without withholding or deduction for or on account of United Kingdom tax where the maturity of the Notes is less than 365 days.

(v) *Other withholdings*

In all other cases, an amount may have to be withheld from payments of interest on the Notes for or on account of United Kingdom income tax at the lower rate (currently 20 per cent.), subject to any direction to the contrary HM Revenue and Customs under an applicable double taxation treaty. Noteholders who are individuals may wish to note that HM Revenue and Customs has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays interest to or receives interest on behalf of another person. HM Revenue and Customs also has power to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts on behalf of another person. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HM Revenue and Customs with the tax authorities of other jurisdictions.

2. EU Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income, each EU Member State is required, for 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg will (unless they elect otherwise) instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of this first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from 1 July 2005, a number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Certain US Federal Income Tax Consequences

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF UNITED STATES FEDERAL TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY PROSPECTIVE INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUERS IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUERS OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

THIS SUMMARY IS OF A GENERAL NATURE AND IS INCLUDED HEREIN SOLELY FOR INFORMATIONAL PURPOSES. IT IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE. NO REPRESENTATION WITH RESPECT TO THE CONSEQUENCES TO ANY PARTICULAR INVESTOR OF THE NOTES IS MADE HEREBY. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISERS WITH RESPECT TO THEIR PARTICULAR CIRCUMSTANCES AND THE EFFECTS OF NATIONAL, STATE, OR LOCAL TAX LAWS TO WHICH THEY MAY BE SUBJECT.

The following discussion summarizes certain United States federal income tax ("*US tax*") consequences of the purchase, beneficial ownership, and disposition of the Notes to "US Holders" (as defined below).

This summary is based on the Code, Treasury regulations issued under the Code (the "*Regulations*"), judicial authority, and administrative rulings and practice, all of which are subject to change, possibly with retroactive effect. This summary addresses only US tax consequences to a prospective investor who purchases the Notes in the initial offering and holds the Notes as capital assets within the meaning of Section 1221 of the Code and not as part of a hedging, "straddle," or a conversion transaction for US tax purposes, or as part of some other integrated investment. This summary does not discuss all of the US tax consequences that may be relevant to a prospective investor in light of its individual investment circumstances or the US tax consequences to a prospective investor that is subject to special treatment under US tax laws, such as:

- a holder that is not a US Holder;
- an insurance company;
- a financial institution;
- a tax-exempt organization;
- a retirement plan;
- a regulated investment company;
- a dealer in securities or non-US currency;
- a regulated investment trust;
- a pass-through entity or an investor in a pass-through entity such as a partnership;
- a broker;
- a trader in securities that elects to mark to market the Notes;
- a former citizen or former long-term resident of the United States, in certain circumstances; or
- a person whose functional currency for US tax purposes is not the United States dollar.

Each prospective investor should consult its own tax advisor concerning the application of US tax laws as well as state, local, non-US, and other tax laws to its particular situation.

This discussion does not address United States federal alternative minimum tax consequences, and does not describe any tax consequences arising under United States federal gift and estate tax laws or under the tax laws of any state, local, or non-US jurisdiction. The US tax consequences to a partnership may depend on the status of the

partners and the activities of the partnership. A prospective investor that is a partnership should consult its tax advisor with regard to the application of the US tax laws to its particular situation.

For purposes of this discussion, a "US Holder" is a beneficial owner of a Note that is, for US tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation or other entity taxable as a corporation for US tax purposes that was created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate whose income is subject to US tax regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over its administration and one or more US persons have the authority to control all of its substantial decisions, or if the trust has elected validly to be treated as a US person.

Taxation of the Bank

The Bank intends to conduct its affairs so that interest on the Notes will not be treated as (i) effectively connected to the Bank's trade or business (if any) within the United States for US tax purposes and (ii) where the Bank and the investor are eligible for tax benefits under an applicable income tax treaty, attributable to a US permanent establishment of the Bank. The Bank will not seek a ruling from the Internal Revenue Service (the "IRS") on this issue, and the IRS may assert a contrary position. If the Bank were found to be engaged in a trade or business or have a permanent establishment under the applicable income tax treaty within the United States, the Bank would be subject to US tax (at a rate of up to 35% and also may be subject to a 30% branch profits tax, resulting in an effective US tax burden of up to 54.5%, which may be reduced by an applicable income tax treaty).

Characterization of the Notes

The Notes may be treated as debt or as equity for US tax purposes. The applicable supplement will specify how the Bank intends to treat the Notes. The following discussion addresses some of the material US tax rules with respect to Notes treated as debt for US tax purposes, subject to the discussion set forth in the applicable supplement. If the Bank intends to treat a particular issuance of Notes as equity for such purposes, the applicable supplement will discuss the material US tax rules relating to that issuance.

US Tax Considerations of the Notes Treated as Debt

Payments of Interest

Except as described below in "Original Issue Discount," a US Holder will be taxed on any interest on a Note as ordinary income at the time the US Holder receives the interest or it accrues, depending on the US Holder's method of accounting for tax purposes. Interest paid on the Notes and original issue discount, if any, accrued with respect to the Note (as described below under "Original Issue Discount – Taxation of OID") constitutes income from sources outside the United States, but, with certain exceptions, generally will be "passive" or "financial services income," which is treated separately from other types of income for purposes of computing the foreign tax credit limitation. For tax years generally beginning after 31 December 2006, such interest income will be "passive" or "general" for the purposes of computing the foreign tax credit limitation.

Cash Basis US Holder. A US Holder that uses the cash receipts and disbursements method of accounting for US tax purposes and receives an interest payment that is denominated in, or determined by reference to, a non-US currency, must recognize income equal to the US dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the US Holder actually converts the payment to US dollars.

Accrual Basis US Holder. A US Holder that uses an accrual method of accounting for US tax purposes may determine the amount of income that is recognized with respect to an interest payment denominated in, or determined by reference to, a non-US currency by using one of two methods. Under the first method, a US Holder will determine the amount of income accrued based on the average exchange rate in effect during the interest accrual period or, with respect to an accrual period that spans two taxable years, that part of the period within the taxable year.

If the US Holder elects the second method, it will determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. Additionally, under this second method, if the US Holder receives a payment of interest within five business days of

the last day of its accrual period or taxable year, it may instead translate the interest accrued into US dollars at the exchange rate in effect on the day that it actually receives the interest payment. If the US Holder elects the second method, it will apply to all debt instruments that are held by the US Holder at the beginning of the first taxable year to which the election applies and to all debt instruments that the US Holder subsequently acquires. The US Holder may not revoke this election without consent from the IRS.

When a US Holder actually receives an interest payment, including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note, denominated in, or determined by reference to, a non-US currency for which it accrued an amount of income, it will recognize ordinary income or loss measured by the difference, if any, between the exchange rate that was used to accrue interest income and the exchange rate in effect on the date of receipt, regardless of whether the payment was converted into US dollars. However, the US Holder may not treat this ordinary income gain or loss as an adjustment to the interest income that was received.

Original Issue Discount

General. A US Holder will be treated as owning a discount debt security with original issue discount ("**OID**") if the amount by which the Note's "stated redemption price at maturity" exceeds its "issue price" is more than a de minimis amount and the Note has a term of more than one year. Generally, a Note's issue price will be the first price at which a substantial amount of the Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. A debt security's stated redemption price at maturity is the total of all payments provided by the debt security that are not payments of "qualified stated interest." Generally, an interest payment on a Note is qualified stated interest if it is one of a series of stated interest payments on a Note that is unconditionally payable at least annually at a single fixed rate, with certain exceptions for lower rates paid during some periods, applied to the outstanding principal amount of the Note.

In general, a Note will not be considered a discount debt security if the amount by which its stated redemption price at maturity exceeds its issue price is less than the de minimis amount of one quarter of one percent of its stated redemption price at maturity multiplied by the number of complete years to its maturity. The Note will have de minimis OID if the amount of the excess is less than the de minimis amount. If the Note has de minimis OID, the US Holder must include the de minimis amount in income as stated principal payments are made on the Note, unless the US Holder has made an election to treat all interest as OID (described in "Original Issue Discount – Election to Treat All Interest as OID" below).

Taxation of OID. A US Holder of a Note issued with OID is required to include in gross income for US tax purposes an amount equal to the sum of the "daily portions" of such OID for all days during the taxable year on which the US Holder holds the Note. The daily portions of OID required to be included in a US Holder's gross income in a taxable year will be determined on a constant yield basis by allocating each day during the taxable year on which the US Holder holds the Note a pro-rata portion of the OID on such Note which is attributable to the "accrual period" in which such day is included. Accrual periods with respect to a Note issued with OID may be of any length and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or the first day of an accrual period. The amount of OID attributable to each accrual period will be the product of the "adjusted issue price" at the beginning of such accrual period and the "yield to maturity" of the Note. The yield to maturity is the discount rate that, when used in computing the present value of all payments to be made under the Note, produces an amount equal to the issue price of the Note. The adjusted issue price of the Note at the beginning of the accrual period generally will equal the issue price of the Note plus the aggregate amount of OID that accrued in all prior accrual periods, less any cash payments on the Note.

Non-US Currency Denominated Notes. A US Holder of a Note issued with OID will be required to include in income the US dollar value of the amount of OID that has accrued during the accrual period. The US dollar value of such accrued income will be determined in the same manner discussed above with respect to US Holders of Notes that are on an accrual method of tax accounting (see "Payments of Interest – Accrual Basis US Holder" above). At the time the interest so accrued in a prior accrual period is received, the US Holder will realize exchange gain or loss equal to the difference, if any, between the spot rate of the non-US currency received by the US Holder and the amount of interest income previously accrued for such period. Such exchange gain or loss, if any, will be ordinary gain or loss and generally will not be treated as interest income or expense.

Election to Treat All Interest as OID. A US Holder may elect to include in gross income all interest that accrues on a Note using the constant yield method described above under "Original Issue Discount – Taxation of OID," with certain modifications. For purposes of this election, interest will include stated interest, OID, de minimis OID, market discount, de minimis market discount, and unstated interest, as adjusted for any amortizable bond premium (as described below under "Notes Purchased at a Premium"). Generally, this election will apply only to a Note for

which the election is made; however, if the Note for which the election is made has amortizable bond premium, the US Holder will be deemed to have made an election to apply amortizable bond premium against interest for all Notes with amortizable bond premium, other than Notes the interest on which is excludible from gross income, that are held as of the beginning of the taxable year to which the election applies or any taxable year thereafter. A US Holder cannot revoke any election to apply the constant yield method to all interest on a Note or a deemed election with respect to amortizable bond premium without the consent of the IRS.

Notes Purchased at a Premium

If a Note is purchased for an amount in excess of its principal amount, a US Holder may elect to treat the excess as amortizable bond premium. If this election is made, the US Holder must reduce the amount required to be included in its income each year with respect to interest on the Notes by the amount of amortizable bond premium allocable to that year, based on the Note's yield to maturity. If the Note is denominated in, or determined by reference to, a non-US currency, the US Holder must compute its amortizable bond premium in units of the non-US currency and its amortizable bond premium will reduce the US Holder's interest income in units of the non-US currency. Gain or loss that is recognized that is attributable to changes in exchange rates between the time of the US Holder's amortizable bond premium offsets interest income and the time of the acquisition of the Note is generally taxable as ordinary income or loss. If a US Holder elects to amortize bond premium, it will apply to all debt instruments, other than debt instruments the interest on which is excludable from gross income, that the US Holder holds at the beginning of the first taxable year to which the election applies or thereafter acquire, and the election cannot be revoked without the consent of the IRS. See "Original Issue Discount – Election to Treat All Interest as Original Issue Discount."

Disposition of Notes

In general, upon the sale, exchange, or redemption of a Note, a US Holder will recognize taxable gain or loss equal to the difference between (i) the amount of cash proceeds and the fair market value of any property received on the sale, exchange, or redemption (not including any amount attributable to accrued but unpaid qualified stated interest) and (ii) the US Holder's "adjusted tax basis" in the Note. A US Holder's adjusted tax basis in a Note generally will be equal to the cost of the Note to such US Holder, increased by the amount of any market discount and OID previously taken into income by the US Holder and reduced by the amount of any amortized bond premium and all payments received by the US Holder (other than payments of qualified stated interest).

Generally, gain or loss realized on the sale, exchange or redemption of a Note will be capital gain or loss.

Non-US Currency Denominated Notes. If a Note is denominated in a non-US currency, gain or loss on its sale or other disposition will be ordinary to the extent attributed to exchange rate fluctuations and otherwise will be capital gain or loss. Such non-US currency gain or loss will be realized only to the extent of the total gain or loss realized by the US Holder on the sale, exchange, or redemption of the Note. A US Holder will have a tax basis in any non-US currency received on the sale, exchange, or redemption of a Note equal to the US dollar value of such non-US currency, determined at the time of such sale, exchange, or redemption.

The Treasury Department has issued Regulations on tax shelter transactions that could be interpreted to require a US Holder of a non-US currency denominated Note to disclose specifically on its tax return loss from certain transactions involving a sale, exchange, retirement, or other taxable disposition of a non-US currency denominated Note. A prospective investor should consult its tax adviser about this and all other reporting requirements.

Variable Rate Notes

In some cases, a Note may be offered that is subject to Regulations governing variable rate debt instruments. In that case, the applicable supplement will discuss the material US tax rules with respect to such variable rate Notes.

Contingent Payment Notes

In some cases, a Note may be offered that is subject to Regulations governing contingent payment debt instruments. The applicable supplement will discuss any material US tax rules with respect to contingent non-US currency debt Notes, Notes the payments on which are determined by reference to the value of any index or stock, and other Notes that are subject to the US tax rules governing contingent payment obligations.

Information Reporting and Backup Withholding Tax

Under current US tax law, information reporting requirements may apply to certain payments of principal, interest, and proceeds of sales received with respect to a Note by a non-corporate US Holder. In addition, a backup withholding tax generally will apply to a non-corporate US Holder who:

- fails to furnish a taxpayer identification number ("TIN"), which, for an individual, is a social security number;
- furnishes an incorrect TIN;
- is notified by the IRS as being subject to backup withholding for failure to report interest or dividend payments; or
- under certain circumstances fails to certify, under penalties of perjury, that such person has furnished a correct TIN.

A prospective investor should consult its tax advisor regarding qualification for exemption from backup withholding and the procedure for obtaining such an exemption, if applicable. The rate for backup withholding is 28% until 2011, when the rate will rise to 31% unless the statutory rate is amended by Congress.

Any amounts withheld from a payment in respect of a Note under the backup withholding rules will be allowed as a credit against the investor's US tax liability and may entitle the investor to a refund, provided that a US tax return is filed and the required documentation is furnished to the IRS in a timely manner.

The US tax discussion set forth above is included for general information only and may not be applicable depending upon the particular situation of the investor. A prospective investor should consult its tax advisor with respect to the tax consequences to it of the purchase, beneficial ownership, and disposition of the Notes, including the tax consequences under federal, state, local, non-US, and other tax laws and the possible effects of changes in federal or other tax laws.

PURCHASE AND SALE

Pursuant to the Master Subscription Agreement dated on or about 16 December 2005, the Manager (being, at the date of this Base Prospectus, Barclays Bank PLC in its capacity as a Manager) has agreed with the Issuers the basis on which it may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "Summary of the Programme and Notes" and "Terms and Conditions of the Notes" above. In the Master Subscription Agreement, each of the Issuers has agreed to reimburse the Manager for certain of its expenses in connection with the establishment of the Programme and the issue of Notes under the Programme.

Set out below are the forms of selling restrictions that will apply in respect of Notes issued under the Programme.

SELLING RESTRICTIONS

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive or for which the provisions of the Prospectus Directive have direct effect under local law because that Member State failed to implement the Prospectus Directive in time (each, a "**Relevant Member State**"), the Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United States of America

US Tax Selling Restrictions

The Notes in bearer form have not been issued in registered form for US federal income tax purposes and may not be offered, sold or delivered within the United States or its possessions or to a United States person except as permitted under US Treasury Regulations section 1.163-5(c)(2)(i)(D) (the "**D Rules**"). Terms used in this paragraph have the meanings given to them by the Internal Revenue Code and the regulations thereunder.

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that in addition to the relevant US Selling Restrictions set forth below:

- (a) except to the extent permitted under the D Rules, it has not offered or sold, and during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person;
- (b) it has and throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person (except to the extent permitted under the D Rules);
- (c) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance, and if it retains Notes in bearer form for its own account, it will do so in accordance with the requirements of the D Rules; and
- (d) with respect to each affiliate or distributor that acquires Notes in bearer form from the Manager for the purpose of offering or selling such Notes during the restricted period, the Manager either repeats and confirms the representations and agreements contained in subclauses (a), (b) and (c) above on such affiliate's or distributor's behalf or agrees that it will obtain from such distributor for the benefit of the Bank the representations and agreements contained in such subclauses.

Terms used in this section shall have the meanings given to them by the Internal Revenue Code and the regulations thereunder, including the D Rules.

US Securities Selling Restrictions

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Manager has agreed (and each further Manager named in a set of Final Terms will be required to agree) that it will not offer or sell Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are part, as determined and certified to the Agent by such Manager (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of syndicated issue), within the United States or to, or for the account or benefit of, US persons except to certain qualified institutional buyers as defined in Rule 144A, and it will have sent to each Manager to which it sells Notes during the distribution compliance period (other than resales pursuant to Rule 144A) a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-US persons in reliance on Regulation S. The Master Subscription Agreement provides that the Manager may directly or through their US broker-dealer affiliates arrange for the offer and resale of Registered Notes within the United States only to qualified institutional buyers as defined in Rule 144A.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Registered Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Base Prospectus has been prepared by the Issuers for use in connection with the offer and sale of Notes outside the United States and for the resale of the Registered Notes in the United States and for the listing of Notes on the Relevant Stock Exchange. The Issuers and the Manager reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. The Base Prospectus does not constitute an offer to any person in the United States or to any US person other than any qualified institutional buyer within the meaning of Rule 144A to whom an offer has been made directly by the Manager or its US broker-dealer affiliate. Distribution of the Base Prospectus by any non-US person outside the United States or by any qualified institutional buyer in the United States to any US person or to any other person within the United States, other than any qualified institutional buyer and those persons, if any, retained to advise such non-US person or qualified institutional buyer with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuers of any of its contents to any of such US person or other person within the United States, other than any qualified institutional buyer and those persons, if any, retained to advise such non-US person or qualified institutional buyer, is prohibited.

Each issue of Notes shall be subject to such additional US selling restrictions as the Issuers and the relevant Manager may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

US Commodities Selling Restrictions

(a) *Type 1 US Commodities Restrictions*

Type 1 US Commodities Restrictions will generally apply in the case of Notes that may implicate the US commodities laws but that may, in limited circumstances agreed between the relevant Issuer and the relevant Manager, be purchased, or redeemed when held, by or on behalf of certain persons in the United States.

If the Final Terms for Notes of any Series indicates that Type 1 US Commodities Restrictions apply, the US Commodities Restrictions will be as follows:

Trading in the Notes has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act. Except in limited circumstances agreed between the Issuer and the relevant Manager, the Notes may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US person, except in limited circumstances agreed between the Issuer and the Manager, at any time trade or maintain a position in the Notes. The redemption of a Note or the payment of the Redemption Amount, Early Redemption Amount or other similar amount on redemption of a Note will be conditional on certification that (a) neither the person holding the Notes that are being redeemed, nor any person on whose behalf the Notes that are being redeemed are held, is a US person or a person within the United States or (b) the person redeeming the Notes, and each person on whose behalf the Notes are being redeemed or who is the beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act), or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Noteholder to equivalent effect.

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not, except in limited circumstances agreed between the Issuer and such Manager, acquired, and will not, except in such limited circumstances, at any time acquire, any Notes for the account or benefit of any US person and (b) that it has not, except in limited circumstances agreed between the Issuer and such Manager, offered, sold, traded or delivered, and will not, except in such limited circumstances, at any time offer, sell, trade or deliver, any Notes, whether acquired in connection with the distribution of the Notes or otherwise, in the United States or to, or for the account or benefit of, US persons. Barclays Capital Inc. may act as agent for Barclays Bank PLC in respect of such offers and sales and receive certain consideration from Barclays Bank PLC in connection therewith.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S. Thus, as used herein, the term "United States" includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term "US person" includes a resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Alternative or additional selling restrictions may apply where so indicated in the Final Terms for Notes of any Series.

(b) *Type 2 US Commodities Restrictions*

Type 2 US Commodities Restrictions will generally apply in the case of Notes that may implicate the US commodities laws resulting in a prohibition on purchase or holding by persons in the United States.

If the Final Terms for Notes of any Series indicates that Type 2 US Commodities Restrictions apply, the US Commodities Restrictions will be as follows:

Trading in the Notes has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act. The Notes may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US

person at any time trade or maintain a position in the Notes. The redemption of a Note or the payment of the Redemption Amount, Early Redemption Amount or other similar amount on redemption of a Note will be conditional on certification as to non-US beneficial ownership.

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not acquired, and will not at any time acquire, any Notes for the account or benefit of any US person and (b) that it has not offered, sold, traded or delivered, and will not at any time offer, sell, trade or deliver, any Notes, whether acquired in connection with the distribution of the Notes or otherwise, in the United States or to, or for the account or benefit of, US persons.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S.

US Retirement Plan Selling Restrictions

The Notes may not be sold or transferred to, and each purchaser by its purchase of the Notes shall be deemed to have represented and covenanted that it is not acquiring the Notes for or on behalf of, and will not transfer the Notes to, any pension or welfare plan as defined in Section 3 of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), that is subject to Title I of ERISA or any plan or arrangement that is subject to Section 4975 of the Internal Revenue Code except that such purchase for or on behalf of a plan shall be permitted:

- (a) to the extent such purchase is made by or on behalf of a bank collective investment fund maintained by the purchaser in which no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total assets in such collective investment fund, and the other applicable conditions of Prohibited Transaction Class Exemption ("**PTCE**") 91-38 issued by the US Department of Labor are satisfied;
- (b) to the extent such purchase is made by or on behalf of an insurance company pooled separate account maintained by the purchaser in which, at any time while the Notes are outstanding, no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total of all assets in such pooled separate account, and the other applicable conditions of PTCE 90-1 issued by the US Department of Labor are satisfied;
- (c) to the extent such purchase is made on behalf of a plan by (A) an investment adviser registered under the Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**"), that had as of the last day of its most recent fiscal year total assets under its management and control in excess of \$50 million and had stockholders' or partners' equity in excess of \$750,000 as shown in its most recent balance sheet prepared in accordance with generally accepted accounting principles, or (B) a bank as defined in Section 202(a)(2) of the Investment Advisers Act with equity capital in excess of \$1 million as of the last day of its most recent fiscal year, or (C) an insurance company which is qualified under the laws of more than one state to manage, acquire or dispose of any assets of a pension or welfare plan, which insurance company has as of the last day of its most recent fiscal year, net worth in excess of \$1 million and which is subject to supervision and examination by a State authority having supervision over insurance companies and, in any case, such investment adviser, bank or insurance company is otherwise a qualified professional asset manager, as such term is used in PTCE 84-14 issued by the US Department of Labor, and the assets of such plan when combined with the assets of other plans established or maintained by the same employer (or affiliate thereof) or employee organisation and managed by such investment adviser, bank or insurance company, do not represent more than 20% of the total client assets managed by such investment adviser, bank or insurance company at the time of the transaction, and the other applicable conditions of such exemption are otherwise satisfied;
- (d) to the extent such plan is a governmental plan (as defined in Section 3 of ERISA) which is not subject to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code;
- (e) to the extent such purchase is made by or on behalf of an insurance company using the assets of its general account, the reserves and liabilities for the general account contracts held by or on behalf of any plan, together with any other plans maintained by the same employer (or its affiliates) or employee organisation, do not exceed 10% of the total reserves and liabilities of the insurance company general account (exclusive of separate account liabilities), plus surplus as set forth in the National Association of Insurance Commissioners Annual Statement filed with the state domicile of the insurer, in accordance with PTCE 95-60, and the other applicable conditions of such exemption are otherwise satisfied;

- (f) to the extent such purchase is made by an in-house asset manager within the meaning of Part IV(a) of PTCE 96-23, such manager has made or properly authorized the decision for such plan to purchase the Notes, under circumstances such that PTCE 96-23 is applicable to the purchase and holding of the Notes; or
- (g) to the extent such purchase will not otherwise give rise to a transaction described in Section 406 of ERISA or Section 4975(c)(1) of the Internal Revenue Code for which a statutory or administrative exemption is unavailable.

United Kingdom

The Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Singapore

Each Manager (which term includes each further manager appointed under the Programme) has acknowledged that this Base Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore.

Accordingly, each Manager has represented and agreed that this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes may not be circulated or distributed, nor may any Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the ‘SFA’), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 except:

- (1) to an institutional investor or to a relevant person, or to any person pursuant to an offer that is made on terms that such rights or interest are acquired at a consideration of not less than Singapore dollars 200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets;
- (2) where no consideration is given for the transfer; or
- (3) by operation of law.

Hong Kong

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent), or (ii) in other circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) (the "*CO*"), or (iii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) (the "*SFO*") and any rules made under the SFO, or (iv) in other circumstances which do not result in the document being a "prospectus" within the meaning of the CO; and
- (b) it has not issued, or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (Law No 25 of 1948, as amended) (the "*Securities and Exchange Law*"). Accordingly, the Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan except in circumstances which will result in compliance with the Securities and Exchange Law and all applicable other laws, regulations and ministerial guidelines in Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Korea

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that the Notes have not been and will not be registered under the Securities and Exchange Act of Korea and that it will not directly or indirectly offer, sell or deliver any Notes in Korea or to any resident of Korea, or to others for re-offering or re-sale directly or indirectly in Korea or to any resident of Korea, except as otherwise permitted by applicable Korean laws and regulations. The Manager has undertaken (and each additional Manager named in a set of Final Terms will be required to represent and agree) that it will ensure that any securities dealer to whom it sells Notes will agree that he will not re-offer or re-sell any Notes directly or indirectly in Korea or to any resident of Korea, except as aforesaid.

Taiwan

The Notes are made available to investors in the Republic of China ("*ROC*") (including banks in the ROC acting as non-discretionary trustees for clients) on a private placement. No person or entity has been authorised to offer, sell, re-sell, distribute, transfer, give advice regarding or otherwise intermediate the offer and sale of, the Notes in the ROC other than in compliance with the laws and regulations of the ROC.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia ("*Corporations Act*")) in relation to the Notes has been or will be lodged with the Australian Securities and Investments Commission ("*ASIC*"). The Manager has represented and agreed and each further Manager appointed under the Programme will be required to represent and agree that unless the relevant Final Terms (or another supplement to any Prospectus) otherwise provides, it:

- (a) has not offered or invited applications, and will not offer or invite applications for the issue, sale or purchase of the Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive Offering Circular or other offering material or advertisement relating to the Notes in Australia,

unless (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in other currencies but dis regarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not

require disclosure to investors under Part 6D.2 of the Corporations Act, (ii) such action complies with all applicable laws, regulations and directives and (iii) does not require any document to be lodged with ASIC.

General

These selling restrictions may be modified by the agreement of the Issuer and the Manager, including following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

The Manager has agreed that it will comply with all relevant laws, regulations and directives, and obtain all relevant consents, approvals or permissions, in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms, and neither the Issuer nor the Manager shall have responsibility therefor.

TRANSFER RESTRICTIONS FOR REGISTERED NOTES

Restricted Notes

Each purchaser of Restricted Notes within the United States pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (1) It is (a) a qualified institutional buyer within the meaning of Rule 144A ("*QIB*"), (b) acquiring such Restricted Notes for its own account or for the account of a *QIB* and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A.
- (2) It understands that such Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a *QIB* purchasing for its own account or for the account of a *QIB*, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States. No representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for resales of the Notes.
- (3) It understands that the DTC Restricted Global Note representing such Restricted Notes will bear a legend to the following effect:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THIS NOTE.

"UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

- (4) The Issuers, the Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Notes for the account of one or more *QIBs*, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

For as long as any Restricted Notes are outstanding and are "restricted securities" within the meaning of Rule 144 under the Securities Act, the Bank has agreed that any holder of such Notes or prospective purchaser designated by such holder of Notes will have the right to obtain from the Bank during any period in which the Bank is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, upon request, the information required by Rule 144A(d)(4) under the Securities Act.

Prospective purchasers are hereby notified that sellers of Registered Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Unrestricted Notes

Each purchaser of Unrestricted Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Unrestricted Notes in re-sales prior to the expiration of the Distribution Compliance Period, by accepting delivery of the Base Prospectus and the Unrestricted Notes, will be deemed to have represented, agreed and acknowledged that:

- (1) It is, or at the time Unrestricted Notes are purchased will be, the beneficial owner of such Unrestricted Notes and (a) it is not a US person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.
- (2) It understands that such Unrestricted Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Notes except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
- (3) It understands that such Unrestricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT."
- (4) The Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

GENERAL INFORMATION

Authorisation

The establishment of the Programme and the issue of Notes under the Programme have been duly authorised by resolutions of the Board of Directors of BCCL on or about [15] December 2005 and resolutions of an authorised committee of the Board of Directors of the Bank on or about [15] December 2005.

Base Prospectus

This Base Prospectus may be used for a period of one year from its date in connection with the listing of Series of Notes. A revised Base Prospectus will be prepared in connection with the listing of any Series of Notes issued after such period unless all consents necessary are obtained for an extension of such period

Listing

The price of a series of Notes of any Series on the price list of the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest, if any). The official listing of the Programme on the London Stock Exchange is expected to be granted on or about [19] December 2005 for a period of 12 months. It is expected that each Series of Notes that is to be admitted to the UK Official List and admitted to trading on the London Stock Exchange's regulated market for gilt edged and fixed income securities will be listed and admitted upon submission to the London Stock Exchange of the relevant Final Terms and any other information required by the London Stock Exchange, subject only to the issue of a Global Note representing the Notes of the Series. Prior to the official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third business day after the date of the transaction.

Unlisted Notes may also be issued under the Programme.

Relevant Clearing Systems

The Notes issued under the Programme may be accepted for clearance through the Euroclear and Clearstream systems and DTC (which are entities in charge of keeping the records). The appropriate common code for each Series allocated by Euroclear or Clearstream, Luxembourg or CINS or CUSIP number allocated by DTC will be set out in the relevant Final Terms, together with the International Securities Identification Number for that Series. If the Notes are to be cleared through an additional or alternative clearing system, the appropriate information will be set out in the relevant Final Terms. Transactions will normally be effected for settlement not earlier than three business days after the date of transaction.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of The Depository Trust Company is 55 Water Street, New York, BY10041-0099, USA. The address of any additional clearing system will be set out in the applicable Final Terms.

The issue price and the amount of the relevant Notes will be determined before filing of the relevant Final Terms of each Series of Notes, based on then prevailing market conditions.

Documents available

For as long as this Base Prospectus remains in effect or any Notes remain outstanding, copies of the following documents will, when available, be available during usual business hours on a weekday (public holidays excepted) for inspection and in the case of (b), (c), (f) and (g) below shall be available free of charge at the registered office of the relevant Issuer and at the specified office of each of the Principal Paying Agent for:

- (a) the constitutional documents of each of the Issuers;
- (b) the joint Annual Report of Barclays PLC and the Bank, as filed with the SEC as Form 20-F in respect of the years ended 31 December 2003 and 31 December 2004 respectively and the Annual Report and Accounts containing the audited consolidated accounts of the Bank for the financial years ended 31 December 2003 and 2004, respectively;
- (c) the amendment to the Annual Report of the Bank, as filed with the SEC on Form 20-F/A on 6 May 2005;

- (d) the joint Interim Report of Barclays PLC and the Bank as filed with the SEC on Form 6K on 5 October 2005 in respect of the 6 months ended 30 June 2005 and the Interim Results Announcement of the Bank in respect of the 6 months ended 30 June 2005;
- (e) the annual report and accounts of BCCL in respect of the financial years ended 31 December 2003 and 2004 and the respective auditors' reports;
- (f) all future annual reports of the Issuers as well as in the case of the Bank (but not BCCL, which does not produce financial statements on an interim basis) semi-annual financial statements;
- (g) the Master Subscription Agreement;
- (h) the Master Issue and Paying Agency Agreement;
- (i) the Master Deed Poll Guarantee;
- (j) the Deed of Covenant;
- (k) the current Base Prospectus in respect of the Programme and any supplements thereto;
- (l) any Final Terms issued in respect of Notes admitted to listing, trading and/or quotation by any listing authority, stock exchange, and or quotation system since the most recent base prospectus was published; and
- (m) other documents incorporated herein by reference.

Significant or Material Change

There has been no significant change in the financial position of the Bank or the Group taken as a whole since 30 June 2005, and there has been no material adverse change in the prospects of the Bank or the Group taken as a whole since 31 December 2004 (the date at which the most recent annual audited financial statements were prepared).

There has been no significant change in the financial position of BCCL since 31 December 2004, and no material adverse change in the financial position or prospects of BCCL since 31 December 2004 (the date at which its most recent annual audited financial statements were prepared).

Litigation

Proceedings have been brought in the United States against a number of defendants, including the Bank, following the collapse of Enron. Proceedings have been brought in the United States against a number of defendants including the Bank following the collapse of Enron. In each case the claims are against groups of defendants. The Bank considers that the claims against it are without merit and is defending them vigorously. A court-ordered mediation commenced in September 2003 but no material progress has been made towards a resolution of the litigation. In addition, in respect of investigations relating to Enron, the Bank is continuing to provide information in response to enquiries by regulatory and governmental authorities in the United States and elsewhere. It is not possible to estimate the Bank's possible loss in relation to these matters, nor the effect that it might have upon operating results in any particular financial period.

The Bank is also currently in negotiations with the staff of the SEC with respect to a settlement of the Commission's investigation of transactions between the Bank and Enron and the Bank does not expect that the amount of any settlement would have a significant adverse effect on the financial position or operating results of the Group.

The Bank is engaged in various other litigation proceedings both in the United Kingdom and a number of overseas jurisdictions, including the United States, involving claims by and against it, which arise in the ordinary course of business. The Bank does not expect the ultimate resolution of any of the proceedings to which the Bank is party to have a significant adverse effect on the financial position of the Group.

Save as disclosed in the first paragraph of this subsection, no member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware), during the twelve months preceding the date of this Prospectus, which may have, or have had in the recent past, a significant effect on the Group's financial position or profitability.

BCCL is not, and has not been, involved in any government, legal or arbitration proceedings (including any proceedings which are pending or threatened of which BCCL is aware) that may have, or have had during the twelve months preceding the date of this Base Prospectus, a significant effect on the financial position or profitability of BCCL.

Auditors

The annual financial statements of BCCL for the three financial years to 31 December 2004 and the annual consolidated and unconsolidated financial statements of the Bank for the two years ended 31 December 2004 and 31 December 2003 have been audited without qualification by PricewaterhouseCoopers of Southwark Towers, 32 London Bridge Street, London SE1 9SY, chartered accountants and registered auditors (authorised and regulated by the Financial Services Authority for designated investment business). The financial information contained in this Base Prospectus in relation to the Bank does not constitute its statutory accounts for the two years ended 31 December 2004. The Bank's annual report and accounts (containing its consolidated and unconsolidated audited financial statements), which constitute the Bank's statutory accounts within the meaning of section 240 of the Companies Act 1985 relating to each complete financial year to which such information relates, have been delivered to the Registrar of Companies in England. PricewaterhouseCoopers has reported on the Bank's statutory accounts, and such reports were unqualified and did not contain a statement under Section 237 of the Companies Act 1985.

Consents

The Issuers have obtained all necessary consents, approvals and authorisations in connection with establishing this Programme and will obtain all such consents, approvals and authorisations in connection with the issue and performance of each Series of Notes.

Supplemental Prospectus

The Issuers have given an undertaking to the Manager in connection with the listing of the Notes on the London Stock Exchange that, so long as any Notes remain outstanding and listed on any such Stock Exchange, in the event of any material adverse change in the business of the Bank or BCCL that is not reflected in the Base Prospectus (as supplemented from time to time), it will, in connection with any subsequent offering and listing of Notes by an Issuer, prepare an amendment or supplement to this Base Prospectus or publish a new prospectus.

ISSUERS

REGISTERED OFFICE OF BARCLAYS CAPITAL (CAYMAN) LIMITED

c/o Barclays Private Bank & Trust (Cayman) Limited
P.O. Box 487
George Town
Grand Cayman
British West Indies

REGISTERED OFFICE OF BARCLAYS BANK PLC

One Churchill Place
London E14 5HP
United Kingdom

MANAGER

Barclays Capital
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

DETERMINATION AGENT

Barclays Capital Securities Limited
One Churchill Place
London E14 5HP
United Kingdom

ISSUE AND PAYING AGENT AND REGISTRAR

JPMorgan Chase Bank, N.A.
Trinity Tower
9 Thomas More Street
London E1W 1YT
United Kingdom

NEW YORK AGENT

JPMorgan Chase Bank, N.A.
4 New York Plaza, 15th Floor
New York, NY 10004
United States of America

LEGAL ADVISERS TO THE MANAGER

Lovells
Atlantic House
Holborn Viaduct
London EC1A 2FG
United Kingdom

LEGAL ADVISERS TO BCCL *in respect of Cayman Islands law:*

Maples and Calder
P.O. Box 309, Ugland House
South Church Street
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Cayman Islands