

**CONFORMED COPY**

**EUROPEAN STABILITY MECHANISM**

**AS ISSUER**

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**MASTER DEALER AGREEMENT  
RELATING TO  
EUROPEAN STABILITY MECHANISM  
DEBT ISSUANCE PROGRAMME**

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## SIGNED FOR THE PURPOSES OF IDENTIFICATION

For the **EUROPEAN STABILITY MECHANISM**, an international financial institution established by the Treaty Establishing the European Stability Mechanism between the Kingdom of Belgium, the Federal Republic of Germany, the Republic of Estonia, Ireland, the Hellenic Republic, the Kingdom of Spain, the French Republic, the Italian Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Grand Duchy of Luxembourg, Malta, the Kingdom of the Netherlands, the Republic of Austria, the Portuguese Republic, the Republic of Slovenia, the Slovak Republic and the Republic of Finland signed in Brussels on 2 February 2012, as amended (the "**Treaty**"), whose seat and principal office is at 6a Circuit de la Foire Internationale, L-1347 Luxembourg (the "**Issuer**").

Represented by:

**KLAUS REGLING**

**MANAGING DIRECTOR**

Date: 28 September 2017

## WHEREAS

- (A) The Issuer has established a programme (the "**Programme**") for the issuance of notes, bonds or other debt securities (the "**Notes**"), in connection with which Programme the Issuer has entered into the original master dealer agreement dated 30 November 2012, as amended on 3 October 2013, 17 March 2014 and 9 March 2015 (the "**Original Master Dealer Agreement**"), and the Issuing and Paying Agency Agreement (as defined below). This Agreement amends and supercedes the Original Master Dealer Agreement. In connection with any Notes to be issued under the Programme that are governed by English law, the Issuer has entered into the Deed of Covenant (as defined below).
- (B) The Issuer may make an application to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange. Notes may also be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.
- (C) In connection with the Programme, the Issuer has prepared the Information Memorandum (as defined below) which is not required to be approved by the Luxembourg *Commission de Surveillance du Secteur Financier* as a prospectus or a base prospectus issued in compliance with Directive 2003/71/EC, as amended, and relevant implementing measures in Luxembourg.

- (D) Any Dealer (as defined below) will enter into this Agreement (as defined below) by signing either a dealer accession letter (a "**Dealer Accession Letter**"), in the form or based on the form set out in Schedule 5 (*Form of Dealer Accession Letter*) hereto, or by entering into a subscription agreement (a "**Subscription Agreement**"), in the form or based on the form set out in Schedule 3 (*Pro Forma Subscription Agreement*) hereto.
- (E) Each Tranche of Notes will be issued pursuant to the Information Memorandum (as defined below) as amended and/or supplemented by a document specific to such Tranche describing the final terms of the relevant Tranche (the "**Final Terms**").
- (F) The Issuer wishes to record the arrangements for the subscription by the Dealers from time to time of the Notes.

**IT IS AGREED** as follows:

## 1. **INTERPRETATION**

### 1.1 **Definitions**

All terms and expressions which have defined meanings in the Information Memorandum shall have the same meanings in this Agreement except where the context requires otherwise or unless otherwise stated. In addition, in this Agreement the following expressions have the following meanings:

"**Agency Agreement**" means the fiscal agency agreement dated 28 September 2017 between the Issuer and the Bank of New York Mellon SA/NV, Luxembourg Branch as registrar and transfer agent and the Bank of New York Mellon, London Branch as fiscal agent and paying agent;

"**Agency Letters**" means the letters relating to bearer notes, namely (i) an agency letter dated 30 November 2012 between the Issuer and Deutsche Bundesbank as issuing and paying agent and (ii) an agency letter dated 30 November 2012 between the Issuer and Clearstream, Frankfurt;

this "**Agreement**" means this master dealer agreement and includes any amendment or supplement hereto and the expressions "herein" and "hereto" shall be construed accordingly;

"**Applicable Time**" means the time and date identified as the Applicable Time in the Subscription Agreement relating to an issuance in reliance on Rule 144A;

"**Clearing System**" means Euroclear, Clearstream Luxembourg, Clearstream Frankfurt, DTC or, in relation to any Series, any other clearing system as specified in the relevant Final Terms;

"**Clearstream, Frankfurt**" means Clearstream Banking AG Frankfurt;

"**Clearstream Luxembourg**" means Clearstream Banking, société anonyme, Luxembourg;

"**Dealer**" means any institution which enters into this Agreement by signing or by entering into any Relevant Agreement for the issue by the Issuer and the subscription by such Dealer(s) (or on such other basis as may be agreed between the Issuer and the relevant Dealer(s) at the relevant time) of any Notes and each Dealer which is party to a Relevant Agreement shall be a "**Relevant Dealer**" in relation to that Relevant Agreement;

"**Deed of Covenant**" means the deed of covenant dated 28 September and entered into by the Issuer in connection with any Notes to be governed by English law;

"**DTC**" means The Depository Trust Company;

"**Euroclear**" means Euroclear Bank S.A./N.V., Brussels;

"**Exchange Act**" means the United States Securities Exchange Act of 1934;

"**FSMA**" means the Financial Services and Markets Act 2000;

"**Information Memorandum**" means the information memorandum dated 28 September 2017 prepared in connection with the Programme, as the same may be amended or supplemented from time to time *provided, however, that* in relation to each Tranche of Notes, the Information Memorandum shall be read in conjunction with the relevant Final Terms;

"**Issuer Communication**" means the investor presentation or any other written communication that constitutes an offer to sell or solicitation of an offer to buy the Notes, as identified in the relevant Subscription Agreement;

"**Issuing and Paying Agency Agreement**" means the issuing and paying agency agreement applicable to a Series of Notes, as specified in the relevant Final Terms, being either:

- (a) the Agency Agreement; or
- (b) the Agency Letters; or
- (c) any other issuing and paying agency agreement as specified in the relevant Final Terms.

"**Issuing and Paying Agent**" means Deutsche Bundesbank, the Bank of New York Mellon, London Branch or, in respect of a particular Tranche of Notes, any other issuing and paying agent as specified in the relevant Final Terms;

"**Loss**" means any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon);

"**Mandated Dealer**" means, in relation to a Relevant Agreement which is made between the Issuer and more than one Dealer, the institution or the institutions specified as such or as the Lead Manager or Lead Managers in the relevant Final Terms and/or in such Relevant Agreement; and, in relation to a Relevant Agreement which is made between the Issuer and a single Dealer, such Dealer or Dealers;

**“Pricing Disclosure Package”** means, as of the Applicable Time, the Information Memorandum together with the Pricing Term Sheet relating to an issuance in reliance on Rule 144A;

**"QIB"** means a Qualified Institutional Buyer as defined in Rule 144A under the Securities Act;

**"Related Party"** means, in respect of any person, any affiliate of that person or any officer, director, employee or agent of that person or any such affiliate or any person by whom any of them is controlled (where the words "affiliate" and controlled" have the meanings given to them by the Securities Act and the regulations thereunder) , including any person who controls any of them for the purpose of Section 15 of the Securities Act or Section 20 of the Exchange Act;

**"Relevant Agreement"** means an agreement (whether oral or in writing) between the Issuer and any Dealer(s) for the issue by the Issuer and the subscription by such Dealer(s) (or on such other basis as may be agreed between the Issuer and the relevant Dealer(s) at the relevant time) of any Notes and shall include, without limitation, any agreement in the form or based on the form set out in Schedule 3 (*Pro Forma Subscription Agreement*) or Schedule 5 (*Form of Dealer Accession Letter* );

**"Securities Act"** means the United States Securities Act of 1933;

**"Stabilising Manager"** means, in relation to any Tranche of Notes, the Dealer or Dealers specified as the Stabilising Manager(s) in the relevant Final Terms; and

**"Terms and Conditions"** means, in relation to any Notes, the terms and conditions applicable to such Notes set out in the Information Memorandum as amended, supplemented and/or replaced by the relevant Final Terms and any reference to a numbered "Condition" is to the correspondingly numbered provision thereof,

## 1.2 **Clauses and Schedules**

Any reference in this Agreement to a Clause, a sub-clause or a Schedule is, unless otherwise stated, to a clause or sub-clause hereof or a schedule hereto.

## 1.3 **Legislation**

Any reference in this Agreement to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

## 1.4 **Other agreements**

All references in this Agreement to an agreement, instrument or other document (including the Issuing and Paying Agency Agreement, Deed of Covenant and the Information Memorandum) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, completed, replaced or novated from time to time.

## 1.5 **Headings**

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Agreement.

## 1.6 **Regulated markets**

Any reference in this Agreement to a regulated market shall be construed as a reference to a regulated market within the meaning given in the Markets in Financial Instruments Directive 2004/39/EC, as amended.

## 2. **ISSUING NOTES**

### 2.1 **Basis of agreements to issue**

The Issuer and the Dealers agree that any Notes which may from time to time be agreed between the Issuer and any Dealer(s) to be issued by the Issuer and subscribed by such Dealer(s) shall be issued and subscribed on the basis of, and in reliance upon, the representations, warranties, undertakings and indemnities made or given or provided to be made or given pursuant to the terms of this Agreement or in any Relevant Agreement.

### 2.2 **Procedures**

Upon the conclusion of any Relevant Agreement and subject as provided in Clause 3.1 (*Conditions precedent to any issue of Notes*):

2.2.1 *Confirmation of terms by Mandated Dealer*: the Mandated Dealer shall promptly confirm the terms of the Relevant Agreement to the Issuer in writing (by fax or by email);

2.2.2 *Preparation of Final Terms*: the Issuer shall promptly confirm such terms to the Issuing and Paying Agent and the relevant Clearing System in writing (by fax or by email), and the Issuer or, if the Mandated Dealer so agrees with the Issuer, the Mandated Dealer will prepare the Final Terms in relation to the relevant Notes for approval (such approval not to be unreasonably withheld or delayed) by the Mandated Dealer or the Issuer and execution on behalf of the Issuer.

2.2.3 *Pricing Term Sheet*: Unless otherwise agreed with the Mandated Dealer, in the case of an issue of Notes any part of which is offered and sold in reliance on Rule 144A, the Issuer will promptly, and in any event before the Applicable Time for the relevant Notes, prepare, with respect to any Notes to be sold pursuant to this Agreement, a Pricing Term Sheet (the "**Pricing Term Sheet**") setting forth the purchase price, interest rate or formula, maturity date and other terms of the relevant Notes (as applicable) based on the form set out in Schedule 6 and containing such other information regarding the Issuer and the Notes being offered as shall be approved by the Issuer and such Mandated Dealer.

2.2.4 *Issue of Notes*: the Issuer shall on the agreed Issue Date of the relevant Notes procure the issue of such Notes in the relevant form (subject to amendment

and completion) scheduled to the Issuing and Paying Agency Agreement and shall procure their delivery to or to the order of the Relevant Dealer(s);

2.2.5 *Payment of net proceeds*: the Relevant Dealer(s) shall for value on the agreed Issue Date of the relevant Notes procure the payment to the Issuer of the net proceeds of the issue of the Notes (namely, the agreed issue or sale price thereof plus any accrued interest and less any agreed commissions, concessions or other agreed deductibles);

2.2.6 *Single Dealer Drawdown*: where a single Dealer has agreed with the Issuer to subscribe a particular Tranche pursuant to this Clause 2, if requested by the Relevant Dealer in relation to such Tranche the Issuer and the Relevant Dealer shall either (i) sign a Dealer Accession Letter, based on the form set out in Schedule 5 (*Dealer Accession Letter*) or (ii) enter into a Subscription Agreement based on the form set out in Schedule 3 (*Pro Forma Subscription Agreement*), or in each case on such other form as may be agreed between the Issuer and the Relevant Dealer; and

2.2.7 *Syndicated Drawdown*: where more than one Dealer has agreed with the Issuer to subscribe a particular Tranche pursuant to this Clause 2, unless otherwise agreed between the Issuer and the Relevant Dealers:

(a) the obligations of the Relevant Dealers to subscribe the Notes shall be joint and several; and

(b) in relation to such Tranche the Issuer and the Relevant Dealers shall enter into a subscription agreement in the form or based on the form set out in Schedule 3 (*Pro Forma Subscription Agreement*) or such other form as may be agreed between the Issuer and the Relevant Dealers.

### 3. **CONDITIONS PRECEDENT**

#### 3.1 **Conditions precedent to any issue of Notes**

In respect of any issue of Notes under the Programme, the obligations of the Relevant Dealer(s) under Clause 2.2.5 (*Payment of net proceeds*) are conditional upon:

3.1.1 *Execution and delivery of Notes and Final Terms*: the relevant Notes and the relevant Final Terms having been completed, executed and delivered as appropriate by the Issuer in accordance with the terms of this Agreement, the Relevant Agreement substantially in the respective forms agreed between the Issuer and the Relevant Dealer(s) and the Issuing and Paying Agency Agreement;

3.1.2 *Documents, consents, confirmations*: the receipt of the documents, consents and confirmations as outlined in Schedule 2 (*Conditions Precedent*) hereto;

3.1.3 *Accuracy of representations and warranties*: nothing, on or prior to the payment to the Issuer on the relevant Issue Date, rendering untrue or incorrect any of the representations and warranties by the Issuer contained herein or in any Relevant Agreement on the date of the Relevant Agreement and on each



date on which they are deemed to be repeated with reference in each case to the facts and circumstances then subsisting to the extent they are material in the context of the relevant Notes;

- 3.1.4 *No breach:* the Issuer not being in breach of its undertakings set out herein;
- 3.1.5 *Listing and trading:* in the case of Notes which are to be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system, the Mandated Dealer having received confirmation that the relevant Notes have, subject only to the execution, authentication and delivery of the relevant Global Note, been admitted to listing, trading and/or quotation by the relevant competent authority, stock exchange and/or quotation system;
- 3.1.6 *Legal opinions etc.:* the Mandated Dealer having received from Clifford Chance Europe LLP a disclosure letter (in the case of Notes offered pursuant to Rule 144A), U.S. securities law opinion (in the case of Notes offered pursuant to Rule 144A) and opinions on matters of validity under English law, in respect of Notes which are governed by English law (as specified in the relevant Final Terms), and opinions from Clifford Chance on matters of validity under Luxembourg law, in respect of Notes which are governed by Luxembourg law (as specified in the relevant Final Terms), and an opinion signed by, or on behalf of, the General Counsel of the Issuer relating to the capacity of the Issuer, to be delivered and such other opinions, documents, certificates, agreements or information specified in the Relevant Agreement as being conditions precedent to the purchase or subscription of the particular Tranche of Notes (in each case in a form satisfactory to the Mandated Dealer), and in the case of Notes offered pursuant to Rule 144A, a U.S. securities law opinion from Allen & Overy LLP;
- 3.1.7 *Comfort letters:* in the case of Notes offered pursuant to Rule 144A, the Mandated Dealer having received from the independent registered public accounting firms for the Issuer U.S. SAS 76 and SAS 76 international comfort letters dated the date of the Relevant Agreement to the Dealers, in form and substance satisfactory to the Mandated Dealer, covering the financial information of the Issuer in the Pricing Disclosure Package and other customary matters. In addition, on the Issue Date, the Initial Purchasers shall have received from such auditors “bring-down comfort letters” dated the Issue Date addressed to the Dealers, in form and substance satisfactory to the Mandated Dealers; and
- 3.1.8 *Force majeure:* there having been, since the date of the Relevant Agreement and in the opinion of the Mandated Dealer, no such change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would, in its view, after consultation with the Issuer, be likely either (a) if there is more than one Relevant Dealer, to prejudice materially the success of the offering and distribution of the Notes or dealings in the Notes in the secondary market, or (b) if there is only one Relevant Dealer, to materially change the circumstances prevailing at the date of the Relevant Agreement.

### 3.2 **Waiver of conditions precedent**

The Mandated Dealer may, in its absolute discretion, waive any of the conditions contemplated in Clause 3.1 (*Conditions precedent to any issue of Notes*) by notice in writing to the Issuer.

### 3.3 **Termination of Relevant Agreement**

If any of the conditions contemplated in Clause 3.1 (*Conditions precedent to any issue of Notes*) is not satisfied or, as the case may be, waived by the Mandated Dealer on or before the Issue Date of any relevant Tranche, the Mandated Dealer shall, subject as mentioned below, be entitled to terminate the Relevant Agreement and, in that event, the parties to such Relevant Agreement shall be released and discharged from their respective obligations thereunder (except for any rights or liabilities which may have arisen pursuant to Clauses 3, 4, 5, 6 or 7 of this Agreement or any liability of the Issuer (under the terms of the Relevant Agreement) incurred prior to or in connection with such termination).

### 3.4 **Stabilisation**

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the relevant Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no obligation on the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) to undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Such stabilising shall be conducted in accordance with all applicable laws and rules. Any loss or profit sustained as a consequence of any such over-allotment or stabilising shall, as against the Issuer, be for the account of the Stabilising Manager(s).

## 4. **REPRESENTATIONS AND WARRANTIES**

### 4.1 **Representations and warranties by the Issuer**

The Issuer represents, warrants and undertakes to the Dealers as follows:

#### 4.1.1 *Legal, valid, binding and enforceable:*

- (a) the Agency Letters and the Agency Agreement constitute legal, valid, binding and enforceable obligations of the Issuer;
- (b) upon due execution by or on behalf of the Issuer, the Issuing and Paying Agency Agreement (other than the Agency Letters and the Agency Agreement) will constitute legal, valid, binding and enforceable obligations of the Issuer;

- (c) the Deed of Covenant constitutes legal, valid, binding and enforceable obligations of the Issuer;
  - (d) upon due execution by or on behalf of the Issuer, each Relevant Agreement will constitute legal, valid, binding and enforceable obligations of the Issuer; and
  - (e) upon due execution by or on behalf of the Issuer and due authentication and delivery, the Notes will constitute legal, valid, binding and enforceable obligations of the Issuer;
- 4.1.2 *Status of the Notes:* the Notes constitute direct obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application;
- 4.1.3 *Incorporation, capacity and authorisation:* the Issuer is an international financial institution established by the Treaty with full power and capacity to own or lease its property and assets and to conduct its activities;
- 4.1.4 *Capacity and authorisation:* the Issuer has full power and capacity:
- (a) to create and issue the Notes; and
  - (b) to execute the Issuing and Paying Agency Agreement, the Deed of Covenant and each Relevant Agreement,
- and in each case to undertake and perform the obligations expressed to be assumed by it herein and therein, and that the Issuer has taken all necessary action to approve and authorise the same;
- 4.1.5 *Approvals:* all authorisations, consents and approvals required in respect of the Issuer for or in connection with the creation, issue and sale of the Notes, the execution of the Issuing and Paying Agency Agreement, the Deed of Covenant and each Relevant Agreement, the performance by the Issuer of its obligations expressed to be undertaken by it herein and therein and the distribution of the Notes in accordance with the provisions set out in Schedule 1 (*Selling Restrictions*) have been obtained and are in full force and effect;
- 4.1.6 *Information memorandum:* the Information Memorandum does not contain any untrue statement of a material fact nor does it omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;
- 4.1.7 *Pricing Disclosure Package:* in the case of an issue of Notes any part of which is offered and sold in reliance on Rule 144A, the Pricing Disclosure Package, as of the Applicable Time, did not contain, and as of the date of any Relevant Agreement or the Issue Date does not contain, any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

- 4.1.8 *Issuer Communication*: in the case of an issue of Notes any part of which is offered and sold in reliance on Rule 144A, each Issuer Communication, if any, does not conflict with the information contained in the Information Memorandum, and each such Issuer Communication, when considered together with the Pricing Disclosure Package as of the Applicable Time, did not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.
- 4.1.9 *Material Changes*: subsequent to the respective dates as of which information is given in the Information Memorandum and, in the case of an issue of Notes any part of which is offered and sold in reliance on Rule 144A, the Pricing Disclosure Package, up to the date and time of this Agreement, there was no material adverse change in the condition, financial or other, of the Issuer, other than changes arising from transactions in the ordinary course of the Issuer's operations and except as contemplated by the Information Memorandum and, in the case of an issue of Notes any part of which is offered and sold in reliance on Rule 144A, the Pricing Disclosure Package.
- 4.1.10 *Litigation*. The Issuer is not involved in any litigation or arbitration proceedings relating to claims or amounts that are material in the context of an issue of the Notes nor, so far as the Issuer is aware, is any such litigation or arbitration pending or threatened.
- 4.1.11 *Foreign issuer*: the Issuer is a foreign issuer (as defined in Regulation S under the Securities Act);
- 4.1.12 *No directed selling efforts*: neither the Issuer nor any persons (which, for the avoidance of doubt, shall not include any Dealer) acting on behalf of the Issuer has engaged or will engage in any directed selling efforts (as defined in Regulation S under the Securities Act) with respect to any offer or sale of Notes;
- 4.1.13 *Offering restrictions*: the Issuer has complied and will comply with the offering restrictions requirement of Rule 144A and Regulation S under the Securities Act;
- 4.1.14 *No general solicitation or advertising*: neither the Issuer nor any persons acting on behalf of the Issuer has engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Rule 502(c) of Regulation D under the Securities Act) in connection with any offer or sale of Notes in the United States or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act;
- 4.1.15 *Restricted securities*: for so long as any Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer shall not resell any Notes of the relevant Series that have been acquired by it;
- 4.1.16 *Investment Company Act of 1940*: the Issuer is not, and as a result of any offer and sale of Notes will not be, required to be registered as an investment

company within the meaning of the United States Investment Company Act of 1940;

- 4.1.17 *Rule 144A(d)(3)*: that, as of its Issue Date, no Note will be, and no securities of the same class (within the meaning of Rule 144A(d)(3)(i) under the Securities Act) as that Note will be, (i) listed on a national securities exchange in the United States which is registered under Section 6 of the Exchange Act or (ii) quoted in any "automated inter-dealer quotation system" (as that term is used in the Exchange Act and the rules promulgated thereunder) in the United States;
- 4.1.18 *No registration; no qualification of an indenture*: that no registration of any Notes issued under the Programme under the Securities Act, and no qualification of an indenture under the Trust Indenture Act of 1939 is required for the offer, issuance and delivery of all Notes issued under the Programme;
- 4.1.19 *No registration under the Securities Act*: the Issuer has not offered or sold, or will offer or sell, any Notes (or securities of the same class as any Notes) in any circumstances which would require the registration of any of the Notes under the Securities Act or the qualification of an indenture under the U.S. Trust Indenture Act of 1939;
- 4.1.20 *Integration requiring registration*: neither the Issuer nor any person acting on its or their behalf has, directly or indirectly, sold, offered for sale or solicited offers to buy or otherwise negotiated, nor will any of them sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Securities Act) that will be integrated with the sale of any Notes in a manner that would require the registration under the Securities Act of such Notes;

#### 4.2 **Representations and warranties deemed repeated upon issue of Notes**

In respect of each Tranche of Notes agreed as contemplated herein to be issued and subscribed, each of the representations, warranties and undertakings made by the Issuer in Clause 4.1 (*Representations and warranties by the Issuer*) shall be deemed to be repeated as of the Applicable Time (in the case of an issue of Notes any part of which is offered and sold in reliance on Rule 144A), on the date on which a Relevant Agreement is made and on the Issue Date thereof, in each case, with reference to the facts and circumstances then subsisting.

#### 4.3 **Representations and Warranties of the Dealers.**

Each Dealer severally and not jointly will represent and warrant to, and agree with the Issuer that:

- 4.3.1 In relation to any Notes issued in reliance on Rule 144A under the Securities Act, it is a QIB.
- 4.3.2 In relation to any Notes issued in reliance on Rule 144A under the Securities Act, neither it nor any of its affiliates nor any person acting on its or their behalf has directly or indirectly offered, solicited offers to buy or sold, or will

offer, solicit offers to buy or sell, directly or indirectly, the Notes (A) to any persons in the United States except such persons whom the relevant Dealer reasonably believes to be QIBs or (B) outside the United States except in offshore transactions in accordance with Rule 903 of Regulation S.

4.3.3 In relation to any Notes issued in reliance on Rule 144A under the Securities Act, neither it nor any affiliate has directly or through any agent offered or sold, solicited offers to buy or sell, or will offer, solicit offers to buy or sell, directly or indirectly, the Notes by any form of general solicitation or general advertising (as those terms are used in Regulation D) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act.

4.3.4 Neither it nor any of its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Notes.

#### 4.4 **Representations and warranties deemed repeated upon issue of Notes**

In respect of each Tranche of Notes agreed as contemplated herein to be issued and subscribed, each of the representations, warranties and undertakings made by the Dealers in Clause 4.3 (*Representations and warranties of the Dealers*) shall be deemed to be repeated on the date on which a Relevant Agreement is made and on the Issue Date thereof, in each case, with reference to the facts and circumstances then subsisting.

### 5. **UNDERTAKINGS BY THE ISSUER**

The Issuer undertakes to the Dealers as follows:

#### 5.1 **Information**

The Issuer shall from time to time promptly furnish to each Dealer such information relating to the Issuer as such Dealer may reasonably request.

#### 5.2 **Listing and trading**

If, in relation to any issue of Notes, it is agreed between the Issuer and the Mandated Dealer to apply for such Notes to be admitted to listing, trading and/or quotation by one or more competent authorities, stock exchanges and/or quotation systems, the Issuer undertakes to use its reasonable endeavours to obtain and maintain the admission to listing, trading and/or quotation of such Notes by the relevant competent authority, stock exchange and/or quotation system until all Notes have matured and/or been cancelled; *provided, however, that* if it is impracticable or unduly burdensome to maintain such admission to listing, trading and/or quotation, the Issuer shall use all reasonable endeavours to obtain and maintain as aforesaid an admission to listing, trading and/or quotation for the Notes on such other competent authorities, stock exchanges and/or quotation systems as it may decide.

### 5.3 **Authorised representative**

During the period commencing on the date of a Relevant Agreement and ending on the Issue Date, the Issuer will notify the Dealers promptly in writing if any of the persons named in the list referred to in paragraph 3 of Schedule 2 (*Conditions Precedent*) ceases to be authorised to take action on behalf of the Issuer or if any additional person becomes so authorised together, in the case of an additional authorised person, with evidence satisfactory to the Dealers that such person has been so authorised.

### 5.4 **No announcements**

During the period commencing on the date of a Relevant Agreement and ending on the Issue Date (or such other period as may be specified in the Relevant Agreement), unless required to do so by any applicable laws, the Issuer will not, without the prior consent of the Mandated Dealer, make:

- 5.4.1 any public announcement which might reasonably be expected to have a material adverse effect on the marketability of the relevant Notes; or
- 5.4.2 any communication which might reasonably be expected to prejudice the ability of any Relevant Dealer lawfully to offer or sell the Notes in accordance with the provisions set out in Schedule 1 (*Selling Restrictions*).

### 5.5 **No competing issues**

During the period commencing on the date of a Relevant Agreement and ending on the Issue Date (or such other period as may be specified in the Relevant Agreement), the Issuer will not, without the prior consent of the Mandated Dealer, issue or agree to issue any other notes, bonds or other debt securities of whatsoever nature where such notes, bonds or other debt securities would have the same maturity and currency as the Notes to be issued on the relevant Issue Date and are intended to be admitted to listing, trading and/or quotation by one or more competent authorities, stock exchanges and/or quotation systems.

### 5.6 **Use of Proceeds**

None of the Issuer, any of its departments or, to the knowledge of the Issuer, any director, officer, agent, employee or affiliate of the Issuer or any of its departments, or persons acting on behalf of the Issuer or its departments will:

- 5.6.1 directly or indirectly use the proceeds of the offering of the Notes for any purpose which would violate, when and as applicable, any anti-money laundering law, any sanctions administered by OFAC, the UNSC, the EU, or HM Treasury, or any applicable anti-bribery and corruption laws, including the US Foreign Corrupt Practices Act of 1977, as amended and the U.K. Bribery Act 2010; or
- 5.6.2 lend, invest, contribute or otherwise make available the proceeds of the offering of the Notes to or for the benefit of any person or entity that is the subject or the target of any sanctions administered by OFAC, the UNSC, the

EU or HM Treasury or domiciled or registered in or operating from a Sanctioned Country (Cuba, Iran, North Korea, Sudan, Crimea and Syria).

#### 5.7 **Rule 144A information**

So long as any Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will, during any period in which it is neither subject to sections 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, nor a foreign government as defined in Rule 405 of the Securities Act eligible to register securities under Schedule B of the Securities Act, furnish to each Holder of such Notes in connection with any resale thereof and to any prospective purchaser of such Notes from such Holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act and will otherwise comply with the requirements of Rule 144A(d)(4) under the Securities Act.

#### 5.8 **Clearing system eligibility**

The Issuer shall, in relation to any Series of Notes to be accepted into a Clearing System, cooperate with the Relevant Dealer(s) and use all reasonable endeavours to permit the Notes to be eligible for clearance and settlement through such Clearing System and to maintain the same until none of such Notes is outstanding.

#### 5.9 **Lawful compliance**

The Issuer shall comply (and for this purpose shall ensure that all necessary action is taken and all necessary conditions are fulfilled) with all applicable laws, regulations, rulings, policies and guidelines (as amended from time to time) of any governmental or regulatory authorities or central bank relevant in the context of the issue of any Notes and the performance of and compliance with its obligations thereunder, and under this Agreement, the Issuing and Paying Agency Agreement and shall submit (or procure the submission on its behalf of) such reports or information and shall make (or procure that there is made on its behalf) such registrations and filings as may from time to time be required for compliance with such laws, regulations, policies and guidelines and shall procure that Notes shall have such maturities and denominations as may from time to time be required for compliance with all applicable laws, regulations, policies and guidelines.

### 6. **INDEMNITY**

#### 6.1 **Indemnity by the Issuer**

The Issuer undertakes to each Dealer that if that Dealer or any of that Dealer's Related Parties incurs any Loss arising out of, in connection with or based on:

6.1.1 *Misrepresentation*: any material inaccuracy or alleged inaccuracy of any representation and warranty by the Issuer in this Agreement or in any Relevant Agreement (on the date of this Agreement or, as the case may be, of any Relevant Agreement or on any other date when it is deemed to be repeated) or otherwise made by the Issuer in respect of any Tranche;



- 6.1.2 *Breach*: any material breach or alleged breach by the Issuer of any of its undertakings in this Agreement or in any Relevant Agreement; or
- 6.1.3 *Information Memorandum*: any untrue statement of a material fact contained in the Information Memorandum, or any omission to state a material fact necessary to make the statements contained in the Information Memorandum, in light of the circumstances under which they were made, not misleading.

the Issuer shall pay to that Dealer on demand an amount equal to such Loss. No Dealer shall have any duty or obligation, whether as fiduciary for any of its Related Parties or otherwise, to recover any such payment or to account to any other person for any amounts paid to it under this Clause 6.1.

## 6.2 **Indemnity by Dealers**

Each Dealer severally and not jointly undertakes to the Issuer, that if the Issuer or any Related Party of the Issuer incurs any Loss arising out of, in connection with or based on;

- 6.2.1 *Misrepresentation*: any inaccuracy of any representation and warranty by such Dealer set out in Schedule 2 to this Agreement or any additional selling restrictions set out in any Relevant Agreement (on the date of any Relevant Agreement or on any other date when it is deemed to be repeated) or otherwise made by such Dealer in respect of any Tranche; or
- 6.2.2 *Breach*: any breach by such Dealer of any of its undertakings in Schedule 2 to this Agreement or any additional selling restrictions set out in any Relevant Agreement or otherwise made by such Dealer in respect of any Tranche,

such Dealer shall pay to the Issuer on demand an amount equal to such Loss, provided that the Manager shall not be liable for any Loss arising from the sale of any Notes to any person believed in good faith by that Dealer, on reasonable grounds and after making reasonable investigations, to be a person to whom the Notes could legally be sold or to whom any material could lawfully be given in compliance with the above restrictions and requirements. The Issuer shall not have any duty or obligation, whether as fiduciary for any of its Related Parties or otherwise, to recover any such payment or to account to any other person for any amounts paid to it under this Clause 6.2.

## 6.3 **Contribution**

If the indemnification provided for in Clauses 6.1 and 6.2 above is unavailable to any person being indemnified or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying person under such Clauses, in lieu of indemnifying such indemnified person thereunder, shall contribute to the amount paid or payable by such indemnified person as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by the Issuer on the one hand and the Dealers on the other from the offering of the Notes but also the relative fault of the Issuer on the one hand and the Dealers on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant

equitable considerations. The relative benefits received by the Issuer on the one hand and the Dealers on the other shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Issuer from the sale of the relevant Notes and the total discounts and commissions received by the Dealers in connection therewith, as provided in the relevant Subscription Agreement, bear to the aggregate offering price of the relevant Notes. The relative fault of the Issuer on the one hand and the Dealers on the other shall be determined by reference to, among other things, whether the inaccuracy, misrepresentation, untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer or by the Dealers and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such inaccuracy, misrepresentation, statement or omission. The obligations of the Dealers to contribute under this Clause 6.3 are several and not joint. Notwithstanding any other provision of this Clause 6.3, no Dealer shall be obligated to make contributions hereunder that in the aggregate exceed the total discounts, commissions and other compensation received by such Dealer under this Agreement, less the aggregate amount of any damages that such Dealer has otherwise been required to pay pursuant to this Clause 6.3.

## 7. **SELLING RESTRICTIONS**

The Issuer and the Dealers:

### 7.1 **Schedule 1**

represent, warrant and undertake as set out in Schedule 1 (*Selling Restrictions*) and agree that, in respect of each Tranche of Notes agreed as contemplated herein to be issued and subscribed, each of these representations and warranties shall be deemed to be repeated on the date on which the Relevant Agreement is made, on the Issue Date thereof and on each intervening date, in each case, with reference to such Tranche of Notes and the facts and circumstances then subsisting.

### 7.2 **Subsequent changes**

agree that, for these purposes, Schedule 1 (*Selling Restrictions*) shall be deemed to be modified to the extent (if at all) that any of the provisions set out in Schedule 1 (*Selling Restrictions*) relating to any specific jurisdiction shall, as a result of change(s) in, or change(s) in official interpretation of, applicable laws and regulations after the date hereof, no longer be applicable.

### 7.3 **Final Terms**

agree that if, in the case of any Tranche of Notes, any of the provisions set out in Schedule 1 (*Selling Restrictions*) are modified and/or supplemented by provisions of the relevant Final Terms, then, in respect of the Issuer, the Relevant Dealer(s) and those Notes only, Schedule 1 (*Selling Restrictions*) shall further be deemed to be modified and/or supplemented to the extent described in the relevant Final Terms.

## 7.4 **General**

agree that the provisions of Clauses 7.2 (*Subsequent changes*) and 7.3 (*Final Terms*) shall be without prejudice to the obligations of the Dealers contained in the paragraph headed "General" in Schedule 1 (*Selling Restrictions*).

## 8. **CALCULATION AGENT**

### 8.1 **Mandated Dealer as Calculation Agent**

In relation to any Series of Notes in respect of which the Issuer and the Mandated Dealer have agreed that the Mandated Dealer shall act as Calculation Agent and the Mandated Dealer is named as the Calculation Agent in the relevant Final Terms, the provisions of this Clause 8 will apply.

### 8.2 **Appointment**

The Issuer appoints the Mandated Dealer at its specified office as Calculation Agent in relation to each Series of Notes in respect of which it is named as such in the relevant Final Terms for the purposes specified in this Agreement and in the Conditions and all matters incidental thereto.

### 8.3 **Acceptance of appointment**

The Mandated Dealer accepts its appointment as Calculation Agent in relation to each Series of Notes in respect of which it agrees to be named as such in the relevant Final Terms and shall perform all matters expressed to be performed by it in, and otherwise comply with, the Conditions and the provisions of this Agreement and, in connection therewith, shall take all such action as may be incidental thereto. The Mandated Dealer acknowledges and agrees that it shall be named in the relevant Final Terms as Calculation Agent in respect of each Series of Notes.

### 8.4 **Calculations and determinations**

The Calculation Agent shall in respect of each Series of Notes in relation to which it is appointed as such:

8.4.1 *Determinations:* obtain such quotes and rates and/or make such determinations, calculations, adjustments, notifications and publications as may be required to be made by it by the Conditions at the times and otherwise in accordance with the Conditions; and

8.4.2 *Records:* maintain a record of all quotations obtained by it and of all amounts, rates and other items determined or calculated by it and make such records available for inspection at all reasonable times by the Issuer.

## 9. **FEES AND EXPENSES**

### 9.1 **Issuer's costs and expenses**

The Issuer is responsible for payment of the proper costs, charges and expenses (and any applicable value added tax):

9.1.1 *Professional advisers:* of the legal, accountancy and other professional advisers instructed by the Issuer in connection with the establishment and

maintenance of the Programme, the preparation of the Information Memorandum or the issue and sale of any Notes or the compliance by the Issuer with its obligations hereunder or under any Relevant Agreement (including, without limitation, the provision of legal opinions as and when required by the terms of this Agreement or any Relevant Agreement);

9.1.2 *Legal Documentation*: incurred in connection with the preparation and delivery of this Agreement, the Issuing and Paying Agency Agreement, the Deed of Covenant and any Relevant Agreement and any other documents connected with the Programme or any Notes;

9.1.3 *Agents*: of the parties to the Issuing and Paying Agency Agreement in accordance with the applicable fee arrangements;

9.1.4 *Listing and trading*: incurred in connection with the maintenance of listing, trading and/or quotation by any competent authorities, stock exchanges and/or quotation systems and the maintenance of any admission(s); and

9.1.5 *Ratings*: the cost of obtaining any credit rating for the Notes.

## 9.2 **Dealer's costs and expenses**

The Dealers are responsible for the payment of the proper costs-charges and expense (and any applicable Value Added Tax) incurred at any time in connection with the application for the relevant Tranche of Notes to be admitted to listing, trading and/or quotation by any competent authorities, stock exchanges and/or quotation systems and the maintenance of any such admission(s).

## 10. **NOTICES**

### 10.1 **Addressee for notices**

All notices and communications hereunder or under any Relevant Agreement shall be made in writing and in English (by letter, fax or e-mail) and shall be sent to the addressee at the address, fax number or e-mail address specified against its name in Schedule 4 (*Notice and Contact Details*) (or, in the case of a Dealer not originally party hereto, specified by notice to the Issuer and the other Dealers at or about the time of its appointment as a Dealer) and for the attention of the person or department therein specified (or as aforesaid) or, in any case, to such other address, fax number or e-mail address and for the attention of such other person or department as the addressee has by prior notice to the sender specified for the purpose.

### 10.2 **Effectiveness**

Every notice or other communication sent in accordance with Clause 10.1 (*Addressee for notices*) shall be effective upon receipt by the addressee *provided, however, that* any such notice or other communication which would otherwise take effect (a) on a day which is not a business day in the place of the addressee or (b) after 5.00 p.m. CET on any particular day shall not, in either case, take effect until 10.00 a.m. CET on the immediately succeeding business day in the place of the addressee.

## 11. ASSIGNMENT

### 11.1 Successors and assigns

This Agreement shall be binding upon and shall inure for the benefit of the Issuer and the Dealers and their respective successors and permitted assigns.

### 11.2 Issuer

The Issuer may not assign its rights or transfer its obligations under this Agreement or any Relevant Agreement, in whole or in part, without the prior written consent of each of the Relevant Dealers and any purported assignment or transfer without such consent shall be void.

### 11.3 Dealers

No Dealer may assign any of its rights or delegate or transfer any of its obligations under any Relevant Agreement, in whole or in part, without the prior written consent of the Issuer and any purported assignment or transfer without such consent shall be void, except for an assignment and transfer of all of a Dealer's rights and obligations under a Relevant Agreement in whatever form such Dealer determines may be appropriate to a partnership, corporation, trust or other organisation in whatever form that may succeed to, or to which the Dealer transfers, all or substantially all of such Dealer's assets and business and that assumes such obligations by contract, operation of law or otherwise. Upon any such transfer and assumption of obligations, such Dealer shall be relieved of, and fully discharged from, all obligations under any Relevant Agreement arising after such transfer and assumption. So far as the law allows, such Dealer shall not be relieved of, and fully discharged from, obligations arising before such transfer and assumption.

## 12. LAW AND JURISDICTION

### 12.1 Governing law

This Agreement and all non-contractual obligations arising out of or in connection with them are governed by English law.

### 12.2 Jurisdiction

The courts of Luxembourg-City (Grand Duchy of Luxembourg) shall have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) or the consequences of its nullity.

### 12.3 Appropriate forum

The Issuer agrees that the courts referred to in Clause 12.2 are the most appropriate and convenient courts to settle any Dispute and, accordingly, they shall not argue to the contrary.

### 12.4 Waiver of immunity

The Issuer hereby agrees (to the extent permitted by law and the Treaty) but solely in respect of the proceedings described in Clause 12.2 to waive irrevocably its immunity from suit. This waiver shall not extend to (i) any dispute or controversy relating to non-contractual obligations, (ii) any measure of execution, or (iii) any other proceedings (including actions under the securities laws of Luxembourg, the United States or any other jurisdictions), and does not imply a waiver of any other privileges and immunities from which the Issuer may benefit under the Treaty or the laws of the relevant jurisdiction.

**13. NO FIDUCIARY DUTIES**

The Issuer acknowledges and agrees that each Mandated Dealer will have been retained solely to act as a dealer with respect to any potential subscription of Notes and that no fiduciary or agency relationship between the Issuer and such Mandated Dealer has been created in respect of any subscription of Notes or such Mandated Dealer's engagement hereunder, regardless of whether such Mandated Dealer has advised or is advising the Issuer on other matters. In connection with the engagement, each Mandated Dealer will act as an independent contractor, with obligations owing solely to the Issuer and not in any other capacity. Except as expressly contemplated by the terms and conditions herein, the engagement is not intended to confer rights upon any persons not a party hereto (including security holders, employees or creditors of the Issuer).

**14. RIGHTS OF THIRD PARTIES**

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

## **SCHEDULE 1 SELLING RESTRICTIONS**

### **United States**

The Notes have not been and will not be registered under the Securities Act, the securities laws of any State or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

Each Dealer agrees that, except as permitted by this Dealer Agreement, it will not offer or sell the Notes of any Series (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of the Notes of such Series within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes of any Series (other than a sale pursuant to Rule 144A) during the distribution compliance period with respect to that Series a confirmation or other notice setting forth the restrictions on offers and sales of the Notes of that Series within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of the Notes of a Series, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

Notes offered and sold outside the United States to non U.S. persons may be sold in reliance on Regulation S. The Dealer(s) may directly or through their respective U.S. broker dealer affiliates arrange for the offer and resale of Notes within the United States only to persons whom they reasonably believe are QIBs who have been notified that the Issuer may be relying on the exemption from registration under Section 5 of the Securities Act provided by Rule 144A.

The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. The Information Memorandum does not constitute an offer to any person in the United States or to any U.S. person other than any QIB to whom an offer has been made directly by one of the Dealers or its U.S. broker dealer affiliate. Distribution of the Information Memorandum by any non U.S. person outside the United States or by any QIB within the United States to any U.S. person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non U.S. person or QIB with respect thereto, is unauthorized and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non U.S. person or QIB, is prohibited.

The Notes in bearer form (being Notes which are represented on issue by a Global Bearer Note) are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

In respect of such Notes in bearer form having a maturity of more than 365 days where TEFRA C is specified in the applicable Final Terms, the relevant Dealer will be required to represent and agree that:

- (a) it understands that under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the "**TEFRA C Rules**"), such Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance;
- (b) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any Notes within the United States or its possessions in connection with the original issuance of such Notes; and
- (c) in connection with the original issuance of such Notes it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such prospective purchaser or such Dealer is within the United States or its possessions and will not otherwise involve the United States office of such Dealer in the offer and sale of such Notes.

In respect of such Notes in bearer form having a maturity of more than 365 days where TEFRA D is specified in the applicable Final Terms, the relevant Dealer will be required to represent and agree that:

- (a) except to the extent permitted under United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the "**TEFRA D Rules**"):
  - (i) it has not offered or sold, and during the restricted period will not offer or sell, any Notes to a person who is within the United States or its possessions or to a United States person; and
  - (ii) it has not delivered and will not deliver in definitive form within the United States or its possessions any Notes sold during the restricted period;
- (b) it has, and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that the 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 as permitted by the TEFRA D Rules; and
- (c) if it is a United States person, it is acquiring the Notes for the purposes of resale in connection with their original issuance and, if it retains Notes for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation §1.163-5(c)(2)(i)(D)(6)(or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010)..



Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the TEFRA C Rules and the TEFRA D Rules.

### **General**

Each Dealer represents, warrants and agrees that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes the Information Memorandum or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands the Information Memorandum or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish the Information Memorandum or any Final Terms or any related offering material, in all cases at their own expense.

The Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed “General” above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to the Information Memorandum.

## **SCHEDULE 2 CONDITIONS PRECEDENT**

**1. Constitutive documents**

A certified true copy of the Treaty.

**2. Authorisations**

Certified true copies (and English translations) of all relevant resolutions and other authorisations required to be passed or given (or an extract of such resolution or authorisation), and evidence of any other action required to be taken, on behalf of the Issuer authorising the establishment of the Programme, the issue of Notes thereunder, the execution and delivery of the Issuing and Paying Agency Agreement, the Deed of Covenant, any Relevant Agreement and the Notes and the performance of the Issuer's obligations thereunder and the appointment of the persons named in the lists referred to in paragraph 3 below.

**3. Incumbency certificate**

In respect of the Issuer, a list of the names, titles and specimen signatures of the persons authorised:

- (a) to sign on its behalf the above mentioned documents;
- (b) to enter into any Relevant Agreement with any Dealer(s);
- (c) to sign on its behalf all notices and other documents to be delivered pursuant thereto or in connection therewith; and
- (d) to take any other action on its behalf in relation to the Programme.

**4. Issuing and Paying Agency Agreement**

The Issuing and Paying Agency Agreement, duly executed or a conformed copy thereof.

**5. Deed of Covenant**

In respect of any Notes to be governed by English law, as specified in the relevant Final Terms, the Deed of Covenant, duly executed or a conformed copy thereof.

**6. Information Memorandum**

The Information Memorandum.

**7. Confirmation of admission to listing and trading**

If applicable, confirmation of the admission of the Programme to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange subject only to the issue of Notes.

8. **Legal opinions**

A disclosure letter (in the case of Notes offered pursuant to Rule 144A) and U.S. securities law opinion (in the case of Notes offered pursuant to Rule 144A) from Clifford Chance Europe LLP and legal opinions from Clifford Chance Europe LLP on matters of validity under English law, in respect of Notes which are governed by English law (as specified in the relevant Final Terms), and from Clifford Chance on matters of validity under Luxembourg law, in respect of Notes which are governed by Luxembourg law (as specified in the relevant Final Terms), and an opinion signed by, or on behalf of, the General Counsel of the Issuer relating to the capacity of the Issuer, and in the case of Notes offered pursuant to Rule 144A, a U.S. securities law opinion from Allen & Overy LLP.

9. **Comfort Letters**

In the case of Notes offered pursuant to Rule 144A, the Mandated Dealer having received from the independent registered public accounting firms for the Issuer U.S. SAS 76 and SAS 76 international comfort letters dated the date of the Relevant Agreement addressed to the Dealers, in form and substance satisfactory to the Mandated Dealer, covering the financial information of the Issuer in the Pricing Disclosure Package and other customary matters. In addition, on the Issue Date, the Initial Purchasers shall have received from such auditors “bring-down comfort letters” dated the Issue Date addressed to the Dealers, in form and substance satisfactory to the Mandated Dealer.

10. **DTC Rider**

In the case of Notes offered pursuant to Rule 144A, the Issuer having delivered to DTC an executed rider to the blanket letter of representations.

11. **Closing Certificate**

A closing certificate dated the Issue Date and addressed to the Dealers and signed by a duly authorised officer of the Issuer stating that there is nothing, on or prior to the payment to the Issuer on the relevant Issue Date, rendering untrue or incorrect any of the representations and warranties by the Issuer contained herein or in any Relevant Agreement on the date of the Relevant Agreement and on each date on which they are deemed to be repeated with reference in each case to the facts and circumstances then subsisting to the extent they are material in the context of the relevant Notes.

12. **Master Global Notes**

Confirmation that master Global Notes have been delivered to the relevant Clearing System.

13. **Ratings**

Confirmation from the Issuer of the rating for the Programme obtained from Moody's Investor Services and Fitch Ratings.

**SCHEDULE 3**  
**PRO FORMA SUBSCRIPTION AGREEMENT**

[Form of Subscription Agreement where an issue of Notes is syndicated among a group of institutions]

EUROPEAN STABILITY MECHANISM

[EUR/USD] [·]

DEBT ISSUANCE PROGRAMME

[EUR/USD] [AMOUNT]

[NOTES DUE [MATURITY]

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SUBSCRIPTION AGREEMENT

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**THIS AGREEMENT** is made on [*date*]

**BETWEEN:**

- (1) **EUROPEAN STABILITY MECHANISM**, an international financial institution established by the Treaty Establishing the European Stability Mechanism between the Kingdom of Belgium, the Federal Republic of Germany, the Republic of Estonia, Ireland, the Hellenic Republic, the Kingdom of Spain, the French Republic, the Italian Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Grand Duchy of Luxembourg, Malta, the Kingdom of the Netherlands, the Republic of Austria, the Portuguese Republic, the Republic of Slovenia, the Slovak Republic and the Republic of Finland signed in Brussels on 2 February 2012, as amended, whose seat and principal office is at 6a Circuit de la Foire Internationale, L-1347 Luxembourg (the "**Issuer**");
- (2) [ ] as lead manager (the "**Lead Manager**"); and
- (3) [ ], [ ] and [ ] (together with the Lead Manager, the "**Managers**").

**WHEREAS:**

- (A) The Issuer has established a Debt Issuance Programme (the "**Programme**") in connection with which it has signed a master dealer agreement dated [*date*] (the "**Dealer Agreement**").
- (B) Pursuant to the Dealer Agreement, the Issuer is entitled to sell Notes (as defined in the Dealer Agreement) issued under the Programme to institutions who become Dealers in relation to a particular Tranche of Notes.
- (C) The Issuer proposes to issue [*description of Notes*] Notes due [*maturity date*] (the "**Notes**") and the Managers wish to subscribe such Notes pursuant to this Agreement (the "**Agreement**").

**IT IS AGREED** as follows:

## 1. **INTERPRETATION**

### 1.1 **Relevant Agreement**

This Agreement is a "Relevant Agreement" as that term is defined in the Dealer Agreement and each of the Managers is a "Dealer" on the terms set out in the Dealer Agreement, save as expressly modified herein. References in the Dealer Agreement to "Mandated Dealer" shall be construed as references to the Lead Manager for the purposes of this Agreement. This Agreement is supplemental to, and should be read and construed in conjunction with, the Dealer Agreement.

### 1.2 **The Notes**

The Notes are issued under the Programme and accordingly are Notes as defined in and for the purposes of the Dealer Agreement and the Issuing and Paying Agency Agreement.

### 1.3 **Defined terms and construction**

All terms and expressions which have defined meanings in the Dealer Agreement shall have the same meanings in this Agreement except where the context requires otherwise or unless otherwise stated. In the event of any conflict or inconsistency between the provisions of this Agreement and the Dealer Agreement, the provisions of this Agreement shall apply. The provisions of Clauses 1.2 (*Clauses and Schedules*) to 1.5 (*Headings*) of the Dealer Agreement shall apply to this Agreement *mutatis mutandis*.

## 2. **DEALER(S)**

### 2.1 **Appointment**

It is agreed that each of [ ], [ ] and [ ] shall become a Dealer upon the terms of the Dealer Agreement with all the authority, rights, powers, duties and obligations of a Dealer under the Dealer Agreement *provided that*:

2.1.1 *Notes only*: such authority, rights, powers, duties and obligations shall extend to the Notes only; and

2.1.2 *Termination*: following the issue of the Notes, such Dealer shall have no further authority, rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with, the issue of the Notes.

2.2 [The undertakings given by the Issuer in Clause 5.6 (*Use of Proceeds*) of the Dealer Agreement shall not be given to any of the Managers incorporated in or organised under the laws of the Federal Republic of Germany insofar as this would lead to and/or result in a breach of Section 7 AWV (German Foreign Trade Ordinance), council regulation (EC) No. 2271/1996 or any similar applicable anti-boycott law or regulation.]

## 3. **ISSUE OF THE NOTES**

### 3.1 **Final Terms**

The Issuer confirms that it has approved the final terms (the "**Final Terms**") dated [date] in connection with the issue of the Notes.

### 3.2 **Undertaking to issue**

The Issuer undertakes to the Managers that, subject to and in accordance with the provisions of this Agreement, the Notes will be issued on [date] (the "**Issue Date**"), in accordance with this Agreement and the Issuing and Paying Agency Agreement.

### 3.3 **Undertaking to subscribe**

The Managers undertake to the Issuer that, subject to and in accordance with the provisions of this Agreement, they will subscribe and pay for the Notes on the Issue Date at [*figure*] per cent. of the aggregate principal amount of the Notes (the "**Issue Price**") [*plus* (if the Issue Date is postponed in accordance with Clause 5.2 (*Postponed closing*)) any accrued interest in respect thereof]. The obligations of the Managers under this sub-clause are joint and several.

### 3.4 **[Fixed price re-offering**

Each Manager represents, warrants and agrees that, prior to being notified by the Lead Manager that the Notes are free to trade, it has not offered or sold and will not offer or sell (and has procured and will procure that none of its subsidiaries or affiliates offers or sells) any Notes at a price less than the offered price set by the Lead Manager.]

### 3.5 **[Agreement among Managers**

The execution of this Agreement on behalf of all parties hereto will constitute acceptance by each Manager of the ICMA Agreement Among Managers Version 1 subject to any amendment notified to such Manager in writing at any time prior to the earlier of the receipt by the Lead Manager of the document appointing such Manager's authorised signatory and its execution of this Agreement.]

### 3.6 **[Stabilising Manager**

The parties hereto confirm the appointment of [ ] as the central point responsible for adequate public disclosure of stabilisation and handling any request from a competent authority, in accordance with Article 6(5) of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures.]

### 3.7 **[Issuer Communications**

"**Issuer Communication**" means [the investor presentation dated [ ]].<sup>1</sup>

### 3.8 **[Applicable Time**

The "**Applicable Time**" means [ ] (CET) on [ ], which is the time when sales of Notes to investors were first made.]<sup>2</sup>

## 4. **FEES AND EXPENSES**

### 4.1 **Combined management and underwriting commission**

The Issuer shall, on the Issue Date, pay to the Lead Manager for the account of the Managers a combined management and underwriting commission of [*figure*] per cent. of the aggregate principal amount of the Notes. Such commission shall be deducted from the Issue Price.

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<sup>1</sup> In the case of Notes offered pursuant to Rule 144A.

<sup>2</sup> In the case of Notes offered pursuant to Rule 144A.

## ***OPTION 1 (SELLING COMMISSION)***

### **4.2 Selling commission**

The Issuer shall, on the Issue Date, pay to the Lead Manager for the account of the Managers a selling commission of [*figure*] per cent. of the aggregate principal amount of the Notes. Such commission shall be deducted from the Issue Price.

## ***OPTION 2 (SELLING CONCESSION)***

### **4.2 Selling concession**

The Issuer shall allow to the Managers a selling concession of [*figure*] per cent. of the principal amount of each Note. Such concession shall be deducted from the Issue Price.

***[END OF OPTIONS]***

***[NOTE - CARE SHOULD BE TAKEN TO ENSURE THAT CLAUSE 4.3 IS ADAPTED AS NECESSARY TO REFLECT THE AGREEMENT BETWEEN THE LEAD MANAGER AND THE ISSUER AS TO FEES AND EXPENSES.]***

### **4.3 Management expenses**

#### ***OPTION 1 (FIXED SUM IN LIEU OF REIMBURSEMENT OF EXPENSES)***

The Issuer shall pay to the Lead Manager on demand [*currency*][*amount*] in lieu of reimbursement of any legal fees and expenses and any travelling, communication, courier, postage and other out-of-pocket expenses incurred by it in connection with the management of the issue of the Notes. Such amount may be deducted from the Issue Price.

#### ***OPTION 2 (REIMBURSEMENT OF EXPENSES SUBJECT TO CAP)***

The Issuer shall reimburse the Lead Manager on demand for all legal fees and expenses and any travelling, communication, courier, postage and other out-of-pocket expenses incurred by it in connection with the management of the issue of the Notes; *provided, however, that* the aggregate liability of the Issuer under this sub-clause shall not exceed [*currency*][*amount*]. Any amount due to the Lead Manager under this sub-clause may be deducted from the Issue Price.

#### ***OPTION 3 (EXPENSES SIDE LETTER)***

Arrangements for the payment of expenses in connection with the issue of the Notes have been separately agreed between the Issuer and the Managers.

***END OF OPTIONS***

## **5. CLOSING**

### **5.1 Closing**



Subject to Clause 5.3 (*Conditions precedent*), the closing of the issue shall take place on the Issue Date, whereupon:

- 5.1.1 *Delivery of Global Note(s)*: the Issuer shall deliver Global Note(s), duly executed on behalf of the Issuer and authenticated in accordance with the Issuing and Paying Agency Agreement, to the relevant Clearing System for credit on the Issue Date to the account of the relevant Clearing System.
- 5.1.2 *Payment of net issue proceeds*: against such delivery, the Managers shall procure the payment of the net proceeds of the issue of the Notes (namely the Issue Price [*plus* accrued interest] *less* the fees and expenses that are to be deducted pursuant to Clause 4 (*Fees and Expenses*)) to the Issuer by credit transfer in [*currency*] for [*immediate/same day*] value to such account as the Issuer has designated to the Lead Manager in writing.

## 5.2 **[Postponed closing]**

The Issuer and the Lead Manager (on behalf of the Managers) may agree to postpone the Issue Date to another date not later than [*date - usually 14 days after the scheduled date for closing*], whereupon all references herein to the Issue Date shall be construed as being to that later date.]

## 5.3 **Conditions precedent**

The Managers shall only be under obligation to subscribe and pay for the Notes if the conditions precedent set out in Clause 3.1 (*Conditions precedent to any issue of Notes*) of the Dealer Agreement have been satisfied including, without prejudice to the foregoing, the receipt by the Lead Manager (on behalf of the Managers) on the [Issue Date]/[last day preceding the Issue Date on which banks are open for general business and on which dealings in foreign currency may be carried on in London (the "**Pre-closing Date**")]

- 5.3.1 [*Legal opinions*: pursuant to Clause [3.1.6] (*Legal opinions etc.*) of the Dealer Agreement, opinions on matters of validity under English law from Clifford Chance Europe LLP, in respect of Notes which are governed by English law (as specified in the relevant Final Terms), and Clifford Chance on matters of validity under Luxembourg law, in respect of Notes which are governed by Luxembourg law (as specified in the relevant Final Terms), and an opinion signed by, or on behalf of, the General Counsel of the Issuer relating to the capacity of the Issuer, in each case dated the Issue Date and addressed to the Managers,]<sup>1</sup> or

[*Legal opinions*: pursuant to Clause [3.1.6] (*Legal opinions etc.*) of the Dealer Agreement, a disclosure letter, U.S. no-registration opinion and opinions on matters of validity under English law from Clifford Chance Europe LLP, in respect of Notes which are governed by English law (as specified in the relevant Final Terms), and Clifford Chance on matters of validity under Luxembourg law, in respect of Notes which are governed by Luxembourg law (as specified in the relevant Final Terms), and an opinion signed by, or on

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<sup>1</sup> In the case of Notes offered pursuant to Regulation S

behalf of, the General Counsel of the Issuer relating to the capacity of the Issuer, in each case dated the Issue Date and addressed to the Managers, and a U.S. securities law opinion from Allen & Overy LLP.]<sup>1</sup>

5.3.2 [*Comfort Letters*: the delivery to the Mandated Dealer[s] on the date of this Agreement of U.S. SAS 76 and SAS 76 international comfort letters from the independent registered public accounting firm[s] for the Issuer. In addition, on the Issue Date, the Mandated Dealer[s] shall have received from such auditors “bring-down comfort letters” dated the Issue Date addressed to the Dealers, in form and substance satisfactory to the Mandated Dealer[s].]<sup>2</sup>

5.3.3 [Others: pursuant to Clause [3.1.6] (*Legal opinions etc*) of the Dealer Agreement, [such other conditions precedent as the Lead Manager may require.]]

## 6. **SURVIVAL**

The provisions of this Agreement shall continue in full force and effect notwithstanding the completion of the arrangements set out herein for the issue of the Notes and regardless of any investigation by any party hereto.

## 7. **TIME**

Any date or period specified herein may be postponed or extended by mutual agreement among the parties but, as regards any date or period originally fixed or so postponed or extended, time shall be of the essence.

## 8. **NOTICES**

Any notification hereunder to the Issuer shall be made in accordance with the provisions of Clause 10 (*Notices*) of the Dealer Agreement and, in the case of notification to the Managers, shall be to the Lead Manager by letter, fax or e-mail at:

[

]

Fax: [ ]

E-mail: [ ]

Attention: [ ]

## 9. **GOVERNING LAW AND JURISDICTION**

This Agreement and all non-contractual obligations arising out of or in connection with it are governed by English law. The provisions of Clause 12 (*Law and*

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<sup>1</sup> In the case of Notes offered pursuant to Rule 144A

<sup>2</sup> In the case of Notes offered pursuant to Rule 144A

*Jurisdiction*) of the Dealer Agreement shall be deemed to be incorporated by reference into this Agreement *mutatis mutandis*.

10. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Any party may enter into this Agreement by signing any such counterpart.

11. **RIGHTS OF THIRD PARTIES**

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

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

*The Issuer*

**EUROPEAN STABILITY MECHANISM**

By:

By:

*The Managers*

[ ]

[ ]

[ ]

By:

**SCHEDULE 4  
NOTICE AND CONTACT DETAILS**

*The Issuer*

**European Stability Mechanism**

Address: 6a Circuit de la Foire Internationale  
L-1347 Luxembourg  
Grand-Duchy of Luxembourg

Attention: Klaus Regling

*The Issuing and Paying Agent (in respect of the Agency Letters)*

**Deutsche Bundesbank**

Address: Wertpapierabwicklung und Sicherheitenmanagement  
Z 512 Wertpapierbelieferung  
Postfach 11 12 32  
D-60047 Frankfurt am Main  
Germany

Fax: +49 (0)69 2388 2495  
Attention: Herr Hübner , Herr Maurer

*Clearstream, Frankfurt*

Address: Mergenthalerallee 61  
65760 Eschborn  
Germany

Fax: +49 69 211 14323  
Attention: new-issues-bonds

*The Issuing and Paying Agent (in respect of the Agency Agreement)*

**The Fiscal Agent and Paying Agent:**

**The Bank of New York Mellon, London Branch**

*Address* One Canada Square  
London E14 5AL  
United Kingdom

Fax: +44 207 964 2536  
Attention: Corporate Trust Administration (European Stability Mechanism)

**The Registrar and Transfer Agent:**

**The Bank of New York Mellon SA/NV, Luxembourg Branch**

Address: Vertigo Building – Polaris  
2-4 rue Eugène Ruppert  
L-2453 Luxembourg

Fax: +(352)24524204

Attention: Corporate Trust Administration (European Stability Mechanism)

**SCHEDULE 5**  
**FORM OF DEALER ACCESSION LETTER**

[New Dealer]  
[Address]

[date]

Dear Sirs

**EUROPEAN STABILITY MECHANISM**  
**Debt Issuance Programme**

We refer to our Debt Issuance Programme (the "**Programme**") for the issuance of notes, bonds or other debt securities, in connection with which we have signed a master dealer agreement [dated [date]] (the "**Dealer Agreement**"). All terms and expressions which have defined meanings in the Dealer Agreement shall have the same meanings in this letter except where the context requires otherwise or unless otherwise stated.

We have pleasure in inviting you to become a Dealer upon the terms of the Dealer Agreement in respect of [*specify Tranche of Notes* (the "**Notes**")], a copy of which has been supplied to you by us.

Please return a copy of this letter to us signed by an authorised signatory whereupon you will become a Dealer for the purposes of the Dealer Agreement with all the authority, rights, powers, duties and obligations of a Dealer under the Dealer Agreement except that, following the issue of the Notes, you shall have no further authority, rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with, the issue of the Notes.

This letter and all non-contractual obligations arising out of or in connection with it are governed by English law. The provisions of Clause 12 (*Law and Jurisdiction*) of the Dealer Agreement shall apply to this letter as if set out herein in full.

Yours faithfully

## EUROPEAN STABILITY MECHANISM

By:

## CONFIRMATION

We hereby accept our appointment as a Dealer under the Dealer Agreement upon the terms of this letter in respect of [*specify Tranche of Notes*].

We confirm that we are in receipt of all the documents which we have requested and have found them to be satisfactory.

For the purposes of the Dealer Agreement our communication details are as set out below.

### [DEALER]

By:

Date:

Address: [        ]  
Fax:        + [*number*]  
E-mail:     [        ]  
Attention: [*name or department*]

[copies to:the Issuing and Paying Agent]

**SCHEDULE 6**  
**FORM OF PRICING TERM SHEET**

**European Stability Mechanism (ESM)**

**\$ [•] [•]% due [•] (the "Notes")**

**[Indicative/Final] Joint Term Sheet<sup>1</sup>**

<b>Issuer</b>	European Stability Mechanism ("ESM")
<b>Rating</b>	[Aa1 (Moody's) / AAA (stable) (Fitch)]
<b>Form of Notes</b>	Registered Notes, RegS / 144A
<b>Status of the Notes</b>	Senior, Unsecured, Unsubordinated
<b>Currency</b>	[US Dollar]
<b>Issue Size</b>	[USD] [•]
<b>Documentation</b>	The Information Memorandum dated [August [•]] 2017 (the " <b>Information Memorandum</b> ") prepared in connection with the Issuer's Debt Issuance Programme
<b>Pricing Date</b>	[•]
<b>Settlement Date</b>	[•] T+5
<b>Maturity Date</b>	[•]
<b>Coupon</b>	[•] % [(Semi-Annual, 30/360 ICMA, Following, Unadjusted)]
<b>Coupon Payment Dates</b>	Payable [semi-]annually on [•] [and [•]] of each year, commencing [•]
<b>Reoffer Spread to Mid Swaps</b>	[•] bps
<b>Benchmark</b>	UST [•] % due [•]
<b>Benchmark Reference Price</b>	[•-•] %
<b>Benchmark Reference Yield</b>	[•] %
<b>Reoffer Spread vs. Benchmark</b>	[•] bps
<b>Reoffer Price</b>	[•] %
<b>Reoffer Yield</b>	[•] % ([semi-]annual)
<b>Redemption</b>	[100 % of notional amount]
<b>Business Days for Payments of Principal and Interest in USD</b>	[Target and New York]
<b>Settlement</b>	[Euroclear, Clearstream (RegS), DTC (Rule 144A)]
<b>Denominations</b>	[USD 200,000 plus USD [2,000] increments]
<b>Governing Law</b>	English
<b>Listing</b>	Luxembourg
<b>Joint Lead Managers</b>	[Bank], [Bank], [Bank], [Bank]
<b>ISIN</b>	RegS [•], 144A [•]
<b>Common Code / CUSIP</b>	RegS [•] / 144A [•]

<sup>1</sup> **Note to draft:** this template is for a fixed-rate note issuance Relevant adjustments will need to be made for a floating-rate note issuance



Further information about the Issuer and the Notes is set out in the Information Memorandum and the Final Terms relating to the Notes. Before you invest in the Notes, you should read the Information Memorandum. This pricing term sheet is qualified in its entirety by reference to the Information Memorandum. The information in this pricing termsheet supplements the Information Memorandum and supersedes the information therein to the extent that there are inconsistencies. *Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.*

**The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act") or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being sold within the United States only to persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the Securities Act and outside the United States to, or for the account or benefit of, persons other than U.S. persons (within the meaning of Regulation S under the Securities Act) in reliance on Regulation S.**

[Stabilisation/FCA] *[Include if stabilization is contemplated.]*

**ANY DISCLAIMER OR OTHER NOTICE THAT MAY APPEAR BELOW IS NOT APPLICABLE TO THIS COMMUNICATION AND SHOULD BE DISREGARDED. SUCH DISCLAIMER OR OTHER NOTICE WAS AUTOMATICALLY GENERATED AS A RESULT OF THIS COMMUNICATION BEING SENT VIA BLOOMBERG OR ANOTHER EMAIL SYSTEM.**