

FIRST AMENDED AND RESTATED INSTRUMENT

relating to

NOVO BANCO, S.A.

€5,000,000,000 Euro Medium Term Note Programme

arranged by J.P. Morgan SE

Dated 19 May 2023

NOVO BANCO, S.A.

This Instrument is made on 19 May 2023 by **NOVO BANCO, S.A.** (the “**Issuer**”) in favour of the Holders from time to time.

Whereas:

- (A) The Issuer established a €5,000,000,000 Euro Medium Note Programme (the “**Programme**”) and entered into an instrument dated 1 September 2022 (the “**Original Instrument**”) in favour of the Holders from time to time. This Instrument amends and restates the Original Instrument. Any Notes the first Tranche of which is issued under the Programme on or after the date hereof shall be issued pursuant to this Instrument. The foregoing does not affect any Notes issued under the Programme prior to the date of this Instrument or any Tranche of Notes issued on or after the date hereof forming a single Series with Notes the first Tranche of which was issued prior to the date of this Instrument.
- (B) The Notes are registered with the CVM (as defined below), a Portuguese Securities Centralised System managed and operated by Interbolsa (as defined below).
- (C) The Notes are expected to be admitted to the official list of the Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) and to trading on the Regulated Market of Euronext Dublin.

This Instrument witnesses and it is declared as follows:

1 Interpretation

Definitions: Expressions defined in the Agency Terms (as defined in the Conditions) or in the Conditions (as defined below) shall, unless otherwise defined in this Instrument, have the same meanings in this Instrument.

The following expressions have the following meanings:

“**Account**” means a securities account with an Affiliated Member of Interbolsa;

“**Affiliated Member**” means an authorised financial intermediary institution entitled to hold control accounts with CVM on behalf of its customers (and includes any depository banks appointed by Euroclear and/or Clearstream, Luxembourg for the purpose of holding accounts on behalf of Euroclear and/or Clearstream, respectively);

“**Clearstream, Luxembourg**” means Clearstream Banking S.A.;

“**Conditions**” means the terms and conditions set out in Schedule 1 as from time to time amended or modified in accordance with this Instrument. Any references to a particularly numbered Condition shall be construed accordingly;

“**CVM**” means Central de Valores Mobiliarios, the centralised securities system managed by Interbolsa;

“**Dealer Agreement**” means the amended and restated Dealer Agreement dated 19 May 2023 between the Issuer, J.P. Morgan SE as Arranger and the Dealers named within it (as from time to time, amended, restated, supplemented, modified or replaced);

“**Entry**” means an entry relating to a Note in an Account;

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

“**Extraordinary Resolution**” has the meaning specified in Schedule 2;

“**Holder**” and “**Holder**” have the meanings provided in the Conditions;

“**Interbolsa**” means Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários S.A., as management entity of the CVM;

“**Notes**” means the notes issued in dematerialised book entry form (*forma escritural*) and which are in registered (*nominativas*) form (that is, Interbolsa, at the Issuer's request, can ask the Affiliated Members for information regarding the identity of the Holders and transmit such information to the Issuer), held through Interbolsa and governed by the Conditions and this Instrument;

“**outstanding**” means, in relation to the Notes, all the Notes issued except (a) those which have been redeemed, (b) those in respect of which the date for redemption has occurred and the redemption moneys have been duly paid to the relevant Holder or on its behalf as provided in Clause 2 and remain available for payment in accordance with the Rules, (c) those Notes in respect of which claims have become void and (d) those which have been purchased and cancelled as provided in the Conditions, provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of Holders and (2) the determination of how many Notes are outstanding for the purposes of Condition 9 and Schedule 2, those Notes which are held by the Issuer, or any of its Subsidiaries, or any holding company of the Issuer, and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;

“**Rules**” means the legislation, rules, regulations and operating procedures from time to time applicable to or stipulated by Interbolsa in relation to the CVM;

“**Series**” means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same series number;

“**this Instrument**” means this Instrument and the Schedules (as from time to time amended, restated, supplemented, modified or replaced in accordance with this Instrument) and any other document executed in accordance with this Instrument (as from time to time amended, restated, supplemented, modified or replaced) and expressed to be supplemental to this Instrument; and

“**Tranche**” means, in relation to a Series, those Notes of that Series that are issued on the same date at the same issue price and in respect of which the first payment of interest is identical.

1.1 Construction of Certain References: References to:

- 1.1.1 costs, charges, remuneration or expenses include any value added or similar tax charged in respect thereof;
- 1.1.2 “**Notes**” are to the Notes of one series only, not to all Notes that may be issued under the Programme;
- 1.1.3 “**euro**” and “**€**” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union;
- 1.1.4 an action, remedy or method of judicial proceedings for the enforcement of creditors' rights also include references to the action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto;

- 1.1.5 words denoting the singular number only shall include the plural number also and vice versa;
- 1.1.6 words denoting one gender only shall include the other genders;
- 1.1.7 words denoting persons only shall include firms and corporations and vice versa;
- 1.1.8 all references in this Instrument to Interbolsa shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the Issuer;
- 1.1.9 any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment; and
- 1.1.10 this Instrument or any other document are to this Instrument or those documents as amended, supplemented or replaced from time to time in relation to the Notes and include any document which amends, supplements or replaces them.

1.2 Headings: Headings shall be ignored in construing this Instrument.

1.3 Schedules: The Schedules are part of this Instrument and have effect accordingly.

1.4 Enforceability: If at any time any provision of this Instrument is or becomes illegal, invalid or unenforceable in any respect under the law of any applicable jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Instrument, nor the legality, validity or enforceability of such provision under the law of any other applicable jurisdiction shall in any way be affected or impaired thereby.

1.5 Amendment and Restatement: The Original Instrument shall be amended and restated on the terms of this Instrument, such amendment and restatement to take effect from the date of this Instrument. Any Notes the first Tranche of which is issued on or after the date of this Instrument shall be issued pursuant to this Instrument. The foregoing does not affect any Notes issued prior to the date of this Instrument or any Tranche of Notes issued on or after the date hereof forming a single Series with Notes the first Tranche of which was issued prior to the date of this Instrument. Subject to such amendment and restatement, the Original Instrument shall continue in full force and effect.

2 Covenant to Pay

2.1 Covenant to Pay: The Issuer will on any date when any amount becomes payable in respect of the Notes, or any of them, pursuant to the Conditions, pay to the relevant Holders in accordance with the Rules and subject to the Conditions in euro or such other currency applicable to payments under the Notes as accepted by Interbolsa for registration and clearing and as provided for in the Conditions in immediately available or same day funds the amount so payable on that date and will (subject to the Conditions) until such payment (both before and after judgment) unconditionally pay to the Holders in accordance with the Rules as aforesaid interest on the aggregate principal amount of the Notes outstanding as provided in the Conditions, provided that (1) payment of any sum due in respect of the Notes made in accordance with the Rules and as provided in the Conditions shall, to that extent, satisfy such obligation and (2) if payment of the aggregate principal amount of the Notes is improperly withheld or refused the Notes will continue to bear interest as provided in the Conditions.

2.2 Payment to Relevant Holder to Constitute Good Discharge: Each relevant Holder is entitled to receive payment of any amount due in respect of the Notes to which its Entries relate to the exclusion of all other persons and any payment so made by the Issuer to such Holder in accordance with the Rules to such extent shall be a good discharge to the Issuer and shall discharge the Issuer from all obligations in respect of each such Note.

2.3 Separate Series: The provisions of sub-Clauses 2.1 and 2.2 and Schedule 2 shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses the expression “Holders”, together with all other terms that relate to Notes or their Conditions, shall be construed as referring to those of the particular Series in question and not of all Series unless expressly so provided, so that, unless expressly provided, events affecting one Series shall not affect any other.

3 Form of the Notes

3.1 Book-Entry Notes: Upon acceptance by Interbolsa of the Notes for entry into its book-entry securities settlement system in accordance with the Rules, the Notes will be held and traded only through such book-entry securities settlement system, and ownership of the Notes shall be shown in, and the transfer of such ownership shall be perfected only through, individual securities accounts held by the Holders with Affiliated Members in accordance with the Rules. Notes may only be held by through the CVM.

3.2 No Rights to Notes in Physical Form: Neither any Holder nor any person claiming any beneficial interest in, or entitlement to, any Note may request or be entitled to receive a Note in physical certificated form.

4 Evidence

4.1 Records Conclusive: The records of the relevant Affiliated Members shall, subject to the Rules and in the absence of manifest error, be conclusive evidence of the following:

4.1.1 the name and ownership of each relevant Holder;

4.1.2 the principal amount of Notes held in each Account;

4.1.3 any amount paid to each relevant Holder and the date, time and currency of each such payment; and

4.1.4 the transfer of any Notes and the date and time of each such transfer.

4.2 Enforcement: Each Holder may protect and enforce its rights arising out of this Instrument and/or the Notes only in respect of any Entry to which it is entitled in its own name, and shall be entitled to do so without using or obtaining any authority from any predecessor in title, unless otherwise agreed between the Holder and any predecessor in title.

5 Status

5.1 The rights and claims of Holders in respect of, or arising under, their Senior Preferred Notes (including any damages awarded for breach of obligations in respect thereof and any rights and claims under this Instrument) rank, if a Winding-Up occurs, as described in Condition 2(a).

5.2 The rights and claims of Holders in respect of, or arising under, their Senior Non-Preferred Notes (including any damages awarded for breach of obligations in respect thereof and any

rights and claims under this Instrument) rank, if a Winding-Up occurs, as described in Condition 2(b).

5.3 The rights and claims of Holders in respect of, or arising under, their Tier 2 Notes (including any damages awarded for breach of obligations in respect thereof and any rights and claims under this Instrument) rank, if a Winding-Up occurs, as described in Condition 2(c).

5.4 Subject to applicable law, no Holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes or this Instrument and each Holder shall, by virtue of their holding of any Note, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of a Winding-Up, the liquidator, special liquidator or other relevant insolvency official, as the case may be, of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator, special liquidator or other relevant insolvency official, as the case may be, of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

6 Stamp Duties and Taxes

6.1 The Issuer will pay any stamp, issue, documentary or other similar taxes and duties, including interest and penalties, if any, payable in Portugal or the United Kingdom in respect of the creation, issue and offering of the Notes and the execution or delivery of this Instrument.

6.2 The Issuer will also indemnify the Holders from and against all stamp, issue, documentary or other like taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Holders to enforce the Issuer's obligations under this Instrument and the Notes.

7 Covenant to Comply with Provisions

7.1 Compliance and Performance: The Issuer hereby covenants with the Holders and each of them that it will comply with and perform and observe all the provisions of this Instrument and the Conditions which are expressed to be binding on it. The Conditions shall be binding on the Issuer and the Holders. This Instrument shall, together with the Notes, be read and construed as one document with the Notes.

7.2 Issue of Notes: The Issuer hereby covenants to issue the Notes in accordance with the Agency Terms.

8 Benefit of Instrument

8.1 Deed Poll

This Instrument shall take effect as a deed poll for the benefit of the Holders from time to time.

8.2 Benefit

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

9 Amendment and Disapplication of this Instrument

Subject to Conditions 4(h) and 9(b), for so long as any Note remains outstanding, the Issuer may not amend, vary, terminate or suspend this Instrument or its obligations under it, unless such amendment, variation, termination or suspension shall have been approved by an Extraordinary Resolution to which the special quorum provisions specified in Schedule 2 may apply, save that (subject to Conditions 4(h) and 9(b)) nothing in this Clause 9 shall prevent the Issuer from increasing or extending its obligations under this Instrument by way of supplement to it at any time.

10 Notices

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

Address: Avenida da Liberdade,
n.º 195 1250-142 Lisbon,
Portugal

Telephone: +351 213 109 595

Email: dtf.fundingmlt@novobanco.pt

Attention: Treasury and Financial Department

or to such other address or email address or for the attention of such other person or department as the Issuer has notified to the Holders in the manner prescribed for the giving of notices in connection with the Notes.

11 Effectiveness

Every notice or other communication sent in accordance with Clause 10 shall be effective upon receipt by the Issuer provided, however, that any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Issuer.

12 Governing Law and Jurisdiction

12.1 Governing Law: This Instrument, the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of England, save that the provisions of (i) this Instrument and Condition 1 relating to the form ("*representação formal*") and transfer of the Notes, creation of security over the Notes and the Interbolsa procedures for the exercise of rights under the Notes; (ii) Clause 5 and Condition 2 relating to the ranking of the Notes and set-off; and (iii) Condition 12(d) are governed by, and shall be construed in accordance with, the laws of Portugal.

12.2 Jurisdiction: The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with this Instrument or the Notes (other than the provisions of (i) this Instrument and Condition 1 relating to the form and transfer of the Notes, creation of security over the Notes and the Interbolsa procedures for the exercise of rights under the

Notes; (ii) Clause 5 and Condition 2 relating to the ranking of the Notes and set-off; and (iii) Condition 12(d) (together the “**Excluded Matters**”), in respect of which the courts of Portugal shall have jurisdiction) and accordingly any legal action or proceedings arising out of or in connection with the Notes (including any legal action or proceedings relating to non-contractual obligations arising out of or in connection with them) (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England (other than in respect of Excluded Matters) and to the jurisdiction of the courts of Portugal in respect of any Proceedings relating to Excluded Matters and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Holders and shall not limit the right of any of them 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).

12.3 Agent for Service of Process: The Issuer irrevocably appoints Law Debenture Corporate Services Limited of 8th Floor, 100 Bishopsgate, London EC2N 4AG as agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify the Holders of such appointment. Nothing shall affect the right to serve process in any manner permitted by law.

SCHEDULE 1

TERMS AND CONDITIONS OF THE NOTES

The Notes are governed by these terms and conditions (the “**Conditions**” and references to a numbered “**Condition**” shall be construed accordingly) and a deed poll given by Novo Banco, S.A. (the “**Issuer**”) in favour of the Holders dated 19 May 2023 (the “**Instrument**”). The Notes also have the benefit of the Agency Terms dated 19 May 2023 (as amended and/or restated and/or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Agency Terms**”). The Issuer will be the initial paying agent (the “**Paying Agent**”) and (if relevant) the initial agent bank (the “**Agent Bank**”) in respect of the Notes. The Holders are entitled to the benefits of, are bound by, and are deemed to have notice of, all the provisions of the Instrument and the Agency Terms applicable to them. Copies of the Instrument and the Agency Terms are available for inspection by Holders during normal business hours at the registered office of the Issuer. The Agent Bank, the Paying Agent and their respective successors, assigns and replacements shall be referred to as the “**Agents**”.

All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the applicable Final Terms. Words and expressions defined in the Instrument or the Agency Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of any inconsistency between the Agency Terms and the Instrument, the Instrument will prevail and that in the event of any inconsistency between the Agency Terms or the Instrument and the Conditions, the Conditions will prevail.

1 Form, Denomination, Title and Transfer

The Notes are issued in dematerialised book-entry (*forma escritural*) and registered (*nominativas*) form in the Specified Denomination as specified in the applicable Final Terms.

The Notes are constituted by registration in individual securities accounts (“**Securities Accounts**”) and are registered with the *Central de Valores Mobiliários* (the “**CVM**”), a Portuguese Securities Centralised System managed and operated by *Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.* (“**Interbolsa**”). Each person shown in the individual Securities Accounts held with an Affiliate Member of Interbolsa as having an interest in the Notes shall be considered the Holder of the principal amount of Notes recorded therein.

Title to the Notes passes upon registration in the relevant individual Securities Accounts held with an Affiliate Member of Interbolsa. Any Holder will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in respect of it) and no person will be liable for so treating the Holder.

This Note is a senior preferred Note (a “**Senior Preferred Note**”), a senior non-preferred Note (a “**Senior Non-Preferred Note**”) or a tier 2 Note (a “**Tier 2 Note**”), as specified in the applicable Final Terms.

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

In these Conditions, “**Holder**” means the person in whose name a Note is registered in the relevant individual Securities Accounts held with an Affiliate Member of Interbolsa.

2 Status; No Set-Off

(a) *Status of Senior Preferred Notes*

- (i) This Condition 2(a) only applies to Notes which are specified as Senior Preferred Notes in the applicable Final Terms.
- (ii) The Notes constitute direct, unsecured, unsubordinated and unguaranteed obligations of the Issuer and rank *pari passu* and without any preference among themselves.
- (iii) The Issuer and, by virtue of its holding of any Note or any beneficial interest therein, each Holder acknowledge and agree that if a Winding-Up occurs, the rights and claims of the Holders against the Issuer in respect of, or arising under, each Note shall be for (in lieu of any other payment by the Issuer) an amount equal to the Early Redemption Amount of the relevant Note, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Note, including any accrued and unpaid interest thereon, Additional Amounts and any damages awarded for breach of any obligations in respect of such Note, provided however that such rights and claims shall rank:
 - (A) *pari passu* among themselves and with any other Senior Higher Priority Liabilities, save for those Senior Higher Priority Liabilities that have been accorded by law preferential rights; and
 - (B) senior to (i) Senior Non-Preferred Liabilities and (ii) all present and future subordinated obligations (including for the avoidance of doubt, all Tier 2 Notes) and all classes of share capital of the Issuer.

(b) *Status of Senior Non-Preferred Notes*

- (i) This Condition 2(b) only applies to Notes which are specified as Senior Non-Preferred Notes in the applicable Final Terms.
- (ii) The Notes constitute direct, unsecured and unguaranteed obligations of the Issuer and rank *pari passu* and without any preference among themselves.
- (iii) The Issuer and, by virtue of its holding of any Note or any beneficial interest therein, each Holder acknowledge and agree that if a Winding-Up occurs, the rights and claims of the Holders against the Issuer in respect of, or arising under, each Note shall be for (in lieu of any other payment by the Issuer) an amount equal to the Early Redemption Amount of the relevant Note, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Note, including any accrued and unpaid interest thereon, Additional Amounts and any damages awarded for breach of any obligations in respect of such Note, provided however that such rights and claims shall rank:
 - (A) *pari passu* among themselves and with any other Senior Non-Preferred Liabilities;
 - (B) junior to (i) as at the Issue Date of the first tranche of the Notes, any excluded liabilities pursuant to Article 72a(2) of Regulation (EU) No 575/2013 (as amended, the “CRR”) and (ii) any Senior Higher Priority Liabilities (and, accordingly, upon the Winding-Up of the Issuer, the claims in respect of Senior Non-Preferred Notes will be met after payment in full of (I) as at the Issue Date of the first tranche of the Notes, any excluded liabilities pursuant to Article 72a(2) of the CRR and (II) the Senior Higher Priority Liabilities) in accordance with Article 8-A; and

(C) senior to all present and future subordinated obligations (including, for the avoidance of doubt, (i) all Tier 2 Notes and all other subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith and (ii) all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith) and all classes of share capital of the Issuer in accordance with Article 8-A.

(c) ***Status of Tier 2 Notes***

- (i) This Condition 2(c) only applies to Notes which are specified as Tier 2 Notes in the applicable Final Terms.
- (ii) The Notes constitute direct, unsecured and unguaranteed obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of Holders in respect of, or arising under, their Notes (including any damages awarded for breach of obligations in respect thereof) are subordinated as described in this Condition 2(c).
- (iii) The Issuer and, by virtue of its holding of any Note or any beneficial interest therein, each Holder acknowledge and agree that if a Winding-Up occurs, the rights and claims of the Holders against the Issuer in respect of, or arising under, each Note shall be for (in lieu of any other payment by the Issuer) an amount equal to the Early Redemption Amount of the relevant Note, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Note, including any accrued and unpaid interest thereon, Additional Amounts and any damages awarded for breach of any obligations in respect of such Note, provided however that such rights and claims shall (to the extent permitted by applicable law) be subordinated as provided in this Condition 2(c) to the claims of all Senior Creditors and shall rank:
 - (A) at least *pari passu* with the claims of holders of all other subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith; and
 - (B) senior to the claims of holders of all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith and to the claims of holders of all classes of share capital of the Issuer.

(d) ***Set-Off***

Subject to applicable law, no Holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes or the Instrument and each Holder shall, by virtue of their holding of any Note, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its Winding-Up, the liquidator, special liquidator or other relevant insolvency official, as the case may be, of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator, special liquidator or other relevant

insolvency official, as the case may be, of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

3 Interest and other Calculations

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest on its outstanding principal amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 3(g).

(b) *Interest on Reset Notes*

(i) Rates of Interest and Reset Note Interest Payment Dates

Subject to Condition 3(k), each Reset Note bears interest on its outstanding principal amount:

- (A) from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date at the rate per annum (expressed as a percentage) equal to the Initial Rate of Interest;
- (B) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date, at the rate per annum (expressed as a percentage) equal to the First Reset Rate of Interest; and
- (C) for each Subsequent Reset Period thereafter (if any), at the rate per annum (expressed as a percentage) equal to the relevant Subsequent Reset Rate of Interest.

Interest will be payable in arrear on each Reset Note Interest Payment Date and on the date specified in the applicable Final Terms as the Maturity Date if that does not fall on a Reset Note Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 3(g).

Save as otherwise provided herein, the provisions applicable to Fixed Rate Notes shall apply to Reset Notes.

(ii) Fallback Provisions

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, subject to Condition 3(k), the Agent Bank shall request each of the Reference Banks to provide the Agent Bank with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Agent Bank with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), with such sum converted as set out in the definition of First Reset Rate of Interest or Subsequent Reset Rate of Interest (as applicable), all as determined by the Agent Bank.

If on any Reset Determination Date only one of the Reference Banks provides the Agent Bank with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 3(b)(ii), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the relevant Mid-Market Swap Rate Quotation and the First Margin or Subsequent Margin (as applicable), with such sum converted as set out in the definition of First Reset Rate of Interest or Subsequent Reset Rate of Interest (as applicable), all as determined by the Agent Bank.

If on any Reset Determination Date none of the Reference Banks provides the Agent Bank with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 3(b)(ii), the Mid-Market Swap Rate Quotation shall be deemed to be the quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate which was last displayed on the Relevant Screen Page prior to the Reset Determination Date and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be the sum of such quotation and the First Margin or the Subsequent Margin (as applicable), with such sum converted as set out in the definition of First Reset Rate of Interest or Subsequent Reset Rate of Interest (as applicable), all as determined by the Agent Bank.

(c) ***Interest on Floating Rate Notes***

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding principal amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 3(g). Such Interest Payment Date(s) is/are either as specified in the applicable Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period specified in the applicable Final Terms as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention

If any date referred to in these Conditions that 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, if the Business Day Convention specified is:

- (A) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day;
- (B) the Modified Following Adjusted Business Day Convention, such date shall be postponed to the next day that is a Business Day 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
- (C) the Preceding Adjusted Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Final Terms and the provisions below relating to Screen Rate Determination shall apply.

(iv) Screen Rate Determination

(A) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject to Condition 3(k) and as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Agent Bank. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent Bank for the purpose of determining the arithmetic mean of such offered quotations.

(B) If, subject to Condition 3(k), the Relevant Screen Page is not available or if sub-paragraph (A)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Agent Bank shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Agent Bank with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent Bank with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Agent Bank.

(C) If paragraph (B) above applies and the Agent Bank determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Agent Bank by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if fewer than two of the Reference Banks provide the Agent Bank with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest

Determination Date, any one or more banks (which bank or banks is or are in the reasonable opinion of the Issuer suitable for such purpose) informs the Agent Bank it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph (and subject to Condition 3(k), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (D) *Linear Interpolation*: Where Linear Interpolation is specified as applicable in the applicable Final Terms in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Agent Bank by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period, provided however, that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Agent Bank shall determine such rate at such time and by reference to such sources as it determines appropriate.

(d) ***Zero Coupon Notes***

Where a Note the Interest Basis of which is specified to be Zero Coupon Notes is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 4(b)(i)).

(e) ***Accrual of Interest***

Interest shall cease to accrue on each Note from (and including) the due date for redemption thereof or the date of substitution thereof unless payment of all amounts is not properly and duly made, in which event interest shall continue to accrue on the Notes (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 3 to the Relevant Date.

(f) ***Margin, Maximum/Minimum Rates of Interest and Rounding***

- (i) If any Margin is specified in the applicable Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 3(c) above by adding (if a positive number) or subtracting the (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (ii) If any Maximum Rate of Interest, Minimum Rate of Interest or Redemption Amount is specified in the applicable Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit 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 or countries of such currency.

(g) ***Calculations***

The amount of interest payable per Specified Denomination in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Specified Denomination specified in the applicable Final Terms, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Specified Denomination in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula).

(h) ***Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Clean-up Call Option Amounts***

The Agent Bank shall, as soon as practicable on each Interest Determination Date or Reset Determination Date (as applicable) or such other time on such date as the Agent Bank may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period or Reset Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-up Call Option Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period or Reset Period and the relevant Interest Payment Date or Reset Note Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-up Call Option Amount to be notified to the Issuer, the Paying Agent (if a different entity to the Agent Bank), any stock exchange on which the Notes are for the time being listed and/or admitted to trading and, in accordance with Condition 10, the Holders, in each case as soon as practicable after its determination but in no event later than (i) the commencement of the relevant Interest Accrual Period or Reset Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

Where any date is subject to adjustment pursuant to Condition 3(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Accrual Period. If the Notes become due and payable under Condition 6, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 3 but no publication of the Rate of Interest or the Interest Amount so calculated need be made.

(i) ***Agent Bank and Reference Banks***

Whenever a function expressed in these Conditions to be performed by the Agent Bank or the Reference Banks falls to be performed, the Issuer will appoint and (for so long as such function is required to be

performed) maintain an Agent Bank and (if required) the number of Reference Banks provided in these Conditions where any Rate of Interest is to be calculated by reference to them (or any quotations provided by them).

The Issuer may from time to time replace the Agent Bank or any Reference Bank with another leading investment, merchant or commercial bank or financial institution. If the Agent Bank is unable or unwilling to continue to act as the Agent Bank or fails duly to determine the Rate of Interest for an Interest Accrual Period or Reset Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-up Call Option Amount, as the case may be, or to comply with any other requirement, the Issuer shall forthwith appoint another leading investment, merchant or commercial bank or financial institution in the Euro-zone to act as such in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed as aforesaid. A Reference Bank may not be the Issuer or any of its affiliates.

(j) ***Determinations of Agent Bank Binding***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 3 by the Agent Bank, shall (in the absence of manifest error) be binding on the Issuer, the Agent Bank, the Paying Agent and all Holders and (in the absence of wilful default or negligence) no liability to the Holders or the Issuer shall attach to the Agent Bank in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

(k) ***Benchmark Discontinuation***

For the purposes of this Condition 3(k) only, in respect of any Reset Notes, references in this Condition 3(k) to (i) "Interest Determination Date" shall be read as references to "Reset Determination Date", (ii) "Interest Accrual Period" shall be read as references to "Reset Period", (iii) "Interest Payment Date" shall be read as references to "Reset Date" and (iv) "Margin" shall be read as references to the "First Margin" or the "Subsequent Margin", as applicable.

(i) Independent Adviser

Notwithstanding the foregoing, if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 3(k)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 3(k)(iv)), provided that such appointment need not be made earlier than 30 days prior to the first date on which the Original Reference Rate is to be used to determine any Rate of Interest (or any component part thereof). In making such determination, the Independent Adviser appointed pursuant to this Condition 3(k) shall act in good faith and in a commercially reasonable manner. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Agent Bank, the Paying Agent or the Holders for any determination made by it, pursuant to this Condition 3(k).

If (a) the Issuer is unable to appoint an Independent Adviser; or (b) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 3(k)(i) prior to the date which is 10 Business Days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the

Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be determined using the Original Reference Rate last displayed on the Relevant Screen Page prior to the relevant Interest Determination Date. Notwithstanding the foregoing, where a different Margin, Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin, the Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 3(k)(i).

(ii) Successor Rate or Alternative Rate

If the Independent Adviser, determines that:

- (a) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (in respect of periods beginning after the end of the then current Interest Accrual Period or, if the Issuer determines on or prior to the first Interest Determination Date that a Benchmark Event has occurred, in respect of periods beginning from the next occurring Interest Determination Date onwards), subject to the subsequent operation of this Condition 3(k); or
- (b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (in respect of periods beginning after the end of the then current Interest Accrual Period or, if the Issuer determines on or prior to the first Interest Determination Date that a Benchmark Event has occurred, in respect of periods beginning from the next occurring Interest Determination Date onwards), subject to the subsequent operation of this Condition 3(k).

(iii) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 3(k) and the Independent Adviser determines (i) that amendments to these Conditions, the Instrument or the Agency Terms are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 3(k)(v), without any requirement for the consent or approval of

Holders, vary these Conditions, the Instrument or the Agency Terms to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 3(k)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 3(k), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

- (a) in the case of Tier 2 Notes, prejudice the qualification of the Notes as Tier 2 Capital; or
- (b) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, prejudice the qualification of the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of the Loss Absorption Regulations, or result in the Relevant Regulator treating the next Interest Payment Date as the effective maturity of such Notes, rather than the relevant Maturity Date.

(v) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 3(k) will be notified at least 10 Business Days prior to the relevant Interest Determination Date by the Issuer to the Agent Bank and the Paying Agent. In accordance with Condition 10, notice shall be provided to the Holders promptly thereafter. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Holders of the same, the Issuer shall deliver to the Paying Agent to make available at its registered office to the Holders a certificate signed by two members of the Executive Board of Directors of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 3(k); and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Agent Bank and the Paying Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the ability of the Agent Bank and the Paying Agent to rely on such certificate as aforesaid) be binding on the Issuer, the Agent Bank, the Paying Agent and the Holders.

- (vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Conditions 3(k)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 3(b)(ii) or 3(c)(iv) (as applicable) will continue to apply unless and until a Benchmark Event has occurred.

4 Redemption, Substitution, Variation and Purchase

(a) ***Final Redemption***

Unless previously redeemed, purchased and cancelled or (pursuant to Condition 4(h)) substituted, each Note will be redeemed at its Final Redemption Amount (which, unless otherwise provided in the applicable Final Terms, is its principal amount) on the Maturity Date specified in the applicable Final Terms together with any interest accrued to (but excluding) the date of redemption in accordance with these Conditions. Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 4.

(b) ***Early Redemption***

(i) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 4(c) to 4(e) or upon it becoming due and payable as provided in Condition 6 shall be the amortised face amount (calculated as provided below) (the “**Amortised Face Amount**”) of such Note unless otherwise specified in the applicable Final Terms.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the applicable Final Terms, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to the issue price of the first tranche of Notes on the Issue Date of such tranche) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 4(c) to 4(e) or upon it becoming due and payable as provided in Condition 6 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as described in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 3(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the applicable Final Terms.

(ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 4(c) to 4(e) or upon it becoming due and payable as provided in Condition 6, shall be the Final Redemption Amount unless otherwise specified in the applicable Final Terms.

(c) ***Redemption following the occurrence of a Tax Event***

If, prior to the giving of the notice referred to in this Condition 4(c), a Tax Event has occurred and is continuing, then the Issuer may, subject (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 4(k) and (ii) in the case of Tier 2 Notes, to Condition 4(l), and having given not less than 10 nor more than 60 days' notice to the Holders in accordance with Condition 10 and the Paying Agent (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note) all, but not some only, of the Notes at their Early Redemption Amount, together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

(d) ***Redemption following the occurrence of a Loss Absorption Disqualification Event***

This Condition 4(d) is applicable only in relation to Notes specified in the applicable Final Terms as being Senior Preferred Notes or Senior Non-Preferred Notes.

If, prior to the giving of the notice referred to in this Condition 4(d), a Loss Absorption Disqualification Event has occurred and is continuing, then the Issuer may, subject to Condition 4(k) and having given not less than 10 nor more than 60 days' notice to the Holders in accordance with Condition 10 and the Paying Agent (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note) all, but not some only, of the Notes at their Early Redemption Amount, together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

(e) ***Redemption following the occurrence of a Capital Disqualification Event***

This Condition 4(e) is applicable only in relation to Notes specified in the applicable Final Terms as being Tier 2 Notes.

If, prior to the giving of the notice referred to in this Condition 4(e), a Capital Disqualification Event has occurred and is continuing, then the Issuer may, subject to Condition 4(l) and having given not less than 10 nor more than 60 days' notice to the Holders in accordance with Condition 10 and the Paying Agent (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note) all, but not some only, of the Notes at their Early Redemption Amount, together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

(f) ***Redemption at the Option of the Issuer***

- a. If Call Option is specified as being applicable in the applicable Final Terms, then the Issuer may, subject (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 4(k) and (ii) in the case of Tier 2 Notes, to Condition 4(l), and having given not less than 10 nor more than 60 days' notice to the Holders (or such other notice period as may be specified in the applicable Final Terms) in accordance with Condition 10 and the Paying Agent (which notice shall be irrevocable), elect to redeem all or (if so specified in the applicable Final Terms) some only of the Notes then outstanding on any Optional Redemption Date at their Optional Redemption Amount, together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly. Any such redemption must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Final Terms.
- b. If "Make-Whole Redemption Amount" is specified in the applicable Final Terms as the Optional Redemption Amount, the Optional Redemption Amount shall be an amount calculated by the Financial Adviser equal to the higher of (a) 100 per cent. of the principal amount outstanding of the Notes to be redeemed or (b) the sum of the then present values of the principal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Notes (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis at the Make-Whole Reference Bond Rate, plus the Redemption Margin.

In the case of a partial redemption, the notice to Holders shall also contain the information required for compliance with any applicable laws and stock exchange or other relevant authority requirements.

(g) ***Clean-up Call Option***

If (i) Clean-up Call Option is specified as being applicable in the applicable Final Terms and (ii) the Clean-up Call Minimum Percentage (or more) of the principal amount outstanding of the Notes originally issued has been redeemed (other than Notes redeemed at the Make-Whole Redemption Amount) or purchased and subsequently cancelled in accordance with this Condition 4, the Issuer may, from (and including) the Clean-up Call Effective Date (subject (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 4(k) and (ii) in the case of Tier 2 Notes, to Condition 4(l), having given not more than the maximum period nor less than minimum period of notice specified in the applicable Final Terms to the Paying Agent and, in accordance with Condition 10, the Holders at any time redeem all (but not some only) of the Notes then outstanding at the Clean-up Call Option Amount specified in the applicable Final Terms together, if applicable, with unpaid interest accrued to (but excluding) such date fixed for redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

For the purposes of this Condition 4(g), any further securities issued pursuant to Condition 11 so as to be consolidated and form a single series with the Notes outstanding at that time will be deemed to have been originally issued.

(h) ***Substitution or Variation***

If "Substitution and Variation" is specified as being applicable in the applicable Final Terms, then with respect to:

- (i) any series of Senior Preferred Notes or Senior Non-Preferred Notes, if at any time a Loss Absorption Disqualification Event has occurred and is continuing; or
- (ii) any series of Tier 2 Notes, if at any time a Capital Disqualification Event has occurred and is continuing; or
- (iii) any series of Notes, if at any time a Tax Event has occurred and is continuing or in order to ensure the effectiveness and enforceability of Condition 12(d),

the Issuer may, subject (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 4(k) and (ii) in the case of Tier 2 Notes, to Condition 4(l), and having given not less than 10 nor more than 60 days' notice to the Holders in accordance with Condition 10 and the Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as the case may be, variation of the Notes) but without any requirement for the consent or approval of the Holders, at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes (in the case of Senior Preferred Notes or Senior Non-Preferred Notes) or Tier 2 Compliant Notes, (in the case of Tier 2 Notes) and may make any consequential amendments to the Instrument and the Agency Terms. Upon the expiry of such notice, the Issuer shall either vary the terms of or substitute the Notes in accordance with this Condition 4(h), as the case may be and make any consequential amendments to the Instrument and the Agency Terms.

In connection with any substitution or variation in accordance with this Condition 4(h), the Issuer shall comply with all securities and other laws and the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

The exercise of such substitution or variation rights may have adverse tax and other consequences for Holders and Holders should consult their own tax and other advisers in connection therewith. The Issuer is not required to take into account the consequences to Holders if it exercises its rights of substitution or variation hereunder.

(i) **Purchases**

The Issuer may, subject (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 4(k) and (ii) in the case of Tier 2 Notes, to Condition 4(l), purchase (or otherwise acquire), or procure others to purchase (or otherwise acquire) beneficially for its account, Notes in any manner and at any price. The Notes so purchased (or acquired), while held by or on behalf of the Issuer, shall not entitle the Holder to vote at any meetings of the Holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Holders.

(j) **Cancellation**

All Notes redeemed or substituted by the Issuer pursuant to this Condition 4 will forthwith be cancelled in accordance with the applicable regulations of Interbolsa. All Notes purchased by or on behalf of the Issuer may, subject to obtaining any Regulatory Permission or Supervisory Permission (as applicable) therefor, be held, reissued, resold or, at the option of the Issuer, cancelled in accordance with the applicable regulations of Interbolsa.

(k) **Conditions to Redemption, Substitution, Variation and Purchase of Senior Preferred Notes and Senior Non-Preferred Notes**

This Condition 4(k) only applies to Senior Preferred Notes and Senior Non-Preferred Notes.

Any redemption, substitution, variation or purchase of the Notes in accordance with Condition 4(c), (d), (f), (g), (h) or (i) is subject to:

- (i) the Issuer obtaining prior Regulatory Permission therefor; and
- (ii) in the case of any substitution or variation, such substitution or variation being permitted by, and conducted in accordance with, any other applicable requirement of the Relevant Regulator or under the Loss Absorption Regulations at such time.

Notwithstanding the above conditions, if, at the time of any redemption, substitution, variation or purchase, the prevailing Loss Absorption Regulations permit the redemption, substitution, variation or purchase only after compliance with one or more alternative or additional pre-conditions to those set out above in this Condition 4(k), the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

For the avoidance of doubt, any failure by the Issuer to obtain Regulatory Permission (whether from the Relevant Regulator or otherwise) as contemplated above shall not constitute a default of the Issuer under the Notes or for any purpose.

Prior to the publication of any notice of substitution, variation or redemption pursuant to this Condition 4 (other than a redemption pursuant to Condition 4(f)), the Issuer shall deliver to the Paying Agent to make available at its registered office to the Holders a copy of a certificate signed by two members of the Executive Board of Directors of the Issuer stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or, as appropriate, vary is satisfied and, in the case of a substitution or variation, that the terms of the relevant Loss Absorption Compliant Notes comply with the definition thereof in Condition 14 and, in the case of a redemption pursuant to Condition 4(c) only, an opinion from a nationally recognised law firm or other tax adviser in Portugal, experienced in such matters to the effect that the relevant requirement or circumstance referred to in any of paragraphs (i) to (iii) (inclusive) of the definition of “Tax Event” applies.

(l) ***Conditions to Redemption, Substitution, Variation and Purchase of Tier 2 Notes***

This Condition 4(l) only applies to Tier 2 Notes.

Any redemption or purchase of the Notes or substitution or variation of the terms of the Notes, in each case in accordance with Condition 4(c), (e), (f), (g), (h) or (i) is subject to:

- (i) the Issuer obtaining prior Supervisory Permission therefor;
- (ii) in the case of any redemption or purchase (save in the case of any purchase prior to the fifth anniversary of the Reference Date pursuant to Condition 4(i)), if and to the extent then required under prevailing Regulatory Capital Requirements, either: (A) the Issuer having replaced the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or (B) the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the own funds and eligible liabilities of the Issuer would, following such redemption or purchase, exceed its minimum requirements (including any applicable buffer requirements) by a margin that the Relevant Regulator considers necessary at such time;
- (iii) in the case of any redemption prior to the fifth anniversary of the Reference Date, if and to the extent then required under prevailing Regulatory Capital Requirements (A) in the case of redemption upon a Tax Event, the Issuer has demonstrated to the satisfaction of the Relevant Regulator that the applicable change in tax treatment is material and was not reasonably foreseeable as at the Reference Date or (B) in the case of redemption upon the occurrence of a

Capital Disqualification Event, the Issuer has demonstrated to the satisfaction of the Relevant Regulator that the relevant change in the regulatory classification of the Notes was not reasonably foreseeable as at the Reference Date; and

- (iv) in the case of any purchase prior to the fifth anniversary of the Reference Date pursuant to Condition 4(i), either (A) the Issuer having, before or at the same time as such purchase, replaced the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the Relevant Regulator having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances or (B) the relevant Notes are being purchased for market-making purposes in accordance with the Regulatory Capital Requirements.

Notwithstanding the above conditions, if, at the time of any redemption, substitution, variation or purchase, the prevailing Regulatory Capital Requirements permit the repayment, substitution, variation or purchase only after compliance with one or more alternative or additional pre-conditions to those set out above in this Condition 4(l), the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

For the avoidance of doubt, any refusal of the Relevant Regulator to grant permission in accordance with Article 78 of the CRR shall not constitute a default of the Issuer under the Notes or for any purpose.

Prior to the publication of any notice of substitution, variation or redemption pursuant to this Condition 4 (other than a redemption pursuant to Condition 4(f)), the Issuer shall deliver to the Paying Agent to make available at its registered office to the Holders a copy of a certificate signed by two members of the Executive Board of Directors of the Issuer stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or, as appropriate, vary is satisfied and, in the case of a substitution or variation, that the terms of the relevant Tier 2 Compliant Notes comply with the definition thereof in Condition 14 and, in the case of a redemption pursuant to Condition 4(c) only, an opinion from a nationally recognised law firm or other tax adviser in Portugal, experienced in such matters to the effect that the relevant requirement or circumstance referred to in any of paragraphs (i) to (iii) (inclusive) of the definition of “Tax Event” applies.

5 Payments

(a) *Method of Payment*

Payments in respect of the Notes will be made by transfer to the account of the Holder maintained by or on its behalf in the relevant Affiliate Member of Interbolsa, details of which appear in the records of the relevant Affiliate Member of Interbolsa at close of business on the Business Day before the due date for payment of principal and/or interest.

(b) *Payments Subject to Laws*

Save as provided in Condition 7, payments will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws or regulations to which the Issuer or its Agents agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements. No commissions or expenses shall be charged to the Holders in respect of such payments.

(c) *Appointment of Agents*

The Issuer shall (unless otherwise specified in the applicable Final Terms) be the initial Paying Agent and the initial Agent Bank. Neither the Paying Agent nor the Agent Bank assumes any obligation or

relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent or the Agent Bank and to appoint replacement Agents, provided that it will (i) at all times maintain a Paying Agent and (ii) appoint and maintain an Agent Bank in accordance with Condition 3(i).

Notice of any such termination or appointment and of any change in the registered offices of the Paying Agent or the Agent Bank will be given to the Holders in accordance with Condition 10.

(d) ***Non-Business Days***

If any date for payment in respect of any Note is not a business day, the Holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “Financial Centres” in the applicable Final Terms and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day.

6 Default

(a) ***Default***

- (i) If the Issuer shall not make payment in respect of the Notes for a period of 14 days or more after the date on which such payment is due, the Issuer shall be deemed to be in default under the Instrument and the Notes and a Holder may notwithstanding the provisions of Condition 6(b), institute proceedings for the winding-up of the Issuer.
- (ii) In the event of a Winding-Up of the Issuer (whether or not instituted by a Holder pursuant to the foregoing), a Holder may prove and/or claim in such Winding-Up of the Issuer, such claim being as contemplated in Condition 2. If a Winding-Up occurs, then any Holder may give notice to the Issuer and to the Paying Agent at their respective registered offices, effective upon the date of receipt thereof by the Issuer, that the Notes held by such Holder(s) are, and they shall accordingly thereby forthwith become, immediately due and repayable at an amount equal to their Early Redemption Amount, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Note, including any accrued and unpaid interest thereon and any Additional Amounts and any damages awarded for breach of any obligations in respect of such Note.

(b) ***Enforcement***

Without prejudice and subject to Condition 6(a), a Holder may at its discretion and without notice institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Instrument, the Agency Terms or the Notes (other than any payment obligation of the Issuer under or arising from the Instrument, the Agency Terms or the Notes, including, without limitation, payment of any principal or interest in respect of the Notes, including any damages awarded for breach of any obligations) provided that in no event shall the Issuer, by virtue of the institution of any such steps, actions or proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it pursuant to these Conditions,

the Instrument and the Agency Terms. Nothing in this Condition 6(b) shall, however, prevent a Holder from instituting proceedings for the winding-up of the Issuer (in accordance with and to the extent permitted by applicable law at the relevant time) and/or proving and/or claiming in any Winding-Up of the Issuer in respect of any payment obligations of the Issuer arising from the Notes, the Instrument and the Agency Terms (including any damages awarded for breach of any obligations) in the circumstances provided in Conditions 2 and 6(a).

(c) ***Extent of Holders' Remedy***

No remedy against the Issuer, other than as referred to in this Condition 6, shall be available to the Holders, whether for the recovery of amounts owing in respect of the Instrument, the Notes or in respect of the Agency Terms or any breach by the Issuer of any of its other obligations under or in respect of the Instrument, the Notes or under the Agency Terms.

7 **Taxation**

All payments of principal, interest and any other amounts by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Relevant Jurisdiction or any political subdivision thereof or by any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in respect of payments of interest (but not principal or any other amount) the Issuer will pay such additional amounts ("**Additional Amounts**") as will result in receipt by the Holders of such amounts as would have been received by them in respect of payments of interest had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Note:

- (a) held by or on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of their having some connection with the Relevant Jurisdiction other than a mere holding of such Note; or
- (b) held by, or by a third party on behalf of, a Holder who could lawfully prevent (but has not so prevented) such deduction or withholding by complying or procuring that any third party complied with any statutory requirements or by making or procuring that any third party made a declaration of non-residence or other similar claim for exemption to any applicable tax authority; or
- (c) held by, or by a Holder or any third party on behalf of, an entity resident for income tax purposes in a country, territory or region subject to a clearly more favourable tax regime, as listed in the Ministerial Order no. 150/2004, of 13 February 2004, issued by the Portuguese Minister of Finance and Public Administration (as amended), or legislation replacing it, unless a Double Tax Convention or a Tax Information Exchange Agreement entered into between such country, territory or region and Portugal is in force at the time the interest becomes due and payable; or
- (d) to, or to a third party on behalf of, a Holder in respect of whom the documentation required to certify the tax residence, pursuant to the conditions set forth in Decree-Law No. 193/2005, of 7 November 2005, as amended, and accessory regulations, or legislation replacing it, is not provided within 30 days after the Relevant Date.

References in these Conditions to interest shall be deemed also to refer to any Additional Amounts which may be payable under this Condition 7.

Notwithstanding any other provisions of these Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer shall be made net of any deduction or withholding imposed or required pursuant to an agreement

described in Section 1471(b) of the U.S. Internal Revenue code of 1986, as amended (the “Code”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or any intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

8 Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

9 Meetings of Holders, Modification and Waiver

(a) Meetings of Holders

The Instrument contains provisions for convening meetings of Holders (including by way of conference call) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Instrument. Such a meeting may be convened by the Issuer or Holders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions (including, *inter alia*, the provisions regarding ranking referred to in Condition 2, the terms concerning currency and due dates for payment of principal or interest payments in respect of the Notes and reducing or cancelling the principal amount of, or interest on, any Notes or the Rate of Interest or varying the method of calculating the Rate of Interest), the quorum will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the Notes for the time being outstanding.

The agreement or approval of the Holders shall not be required (i) in the case of any substitution or variation of the Notes required to be made in the circumstances described in Condition 4(h) in connection with the substitution of the Notes for, or variation of the terms of the Notes so that they remain, or as appropriate become, Loss Absorption Compliant Notes or Tier 2 Compliant Notes, as applicable or (ii) in the case of any variation of these Conditions, the Instrument or the Agency Terms required to be made in the circumstances described in Condition 3(k).

An Extraordinary Resolution passed at any meeting of Holders will be binding on all Holders, whether or not they are present at the meeting.

The Instrument provides that a resolution in writing signed by or on behalf of the Holders of not less than 75 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Holders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders.

(b) ***Modification of the Notes***

The Paying Agent and the Issuer may, without the consent of the Holders, make any modification of these Conditions, the Instrument or the Agency Terms which (i) is not prejudicial to the interests of the Holders, (ii) is of a formal, minor or technical nature, (iii) is made to correct a manifest error, or (iv) is to comply with mandatory provisions of any applicable law.

Any such modification shall be binding on the Holders and shall be notified to the Holders as soon as practicable. No modification to these Conditions or any provisions of the Instrument shall become effective unless (if and to the extent required at the relevant time by the Relevant Regulator) the Issuer shall have given such period of prior written notice thereof required by the Relevant Regulator, to, and received Regulatory Permission or Supervisory Permission, as applicable, therefor from, the Relevant Regulator (provided that there is a requirement to give such notice and obtain such Regulatory Permission or Supervisory Permission, as applicable).

(c) ***Notices***

Any such modification shall be binding on all Holders and shall be notified to the Holders in accordance with Condition 10 as soon as practicable thereafter.

10 Notices

Notices required to be given to the Holders pursuant to these Conditions shall be valid if published in such manner as the stock exchange on which Notes are listed or its rules and regulations may prescribe or accept. The Issuer shall also ensure that all such notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any other stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading.

Any such notice 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 first date on which publication is made, as provided above.

The Issuer shall also comply with the requirements of Interbolsa and of Portuguese law generally in respect of notices relating to the Notes.

11 Further Issues

The Issuer may from time to time without the consent of the Holders, but subject to Regulatory Permission or Supervisory Permission, as applicable, create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 11 and forming a single series with the Notes.

12 Governing Law and Jurisdiction

(a) ***Governing Law***

The Instrument, the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of England, save that the provisions of:

- (i) Condition 1 relating to the form (*representação formal*) and transfer of the Notes, creation of security over the Notes and the Interbolsa procedures for the exercise of rights under the Notes;
 - (ii) Condition 2 relating to the ranking of the Notes and set-off; and
 - (iii) Condition 12(d)
- (together, the “**Excluded Matters**”),

are governed by, and shall be construed in accordance with, the laws of Portugal. The Agency Terms and any non-contractual obligations arising out of or in connection therewith, shall be governed by, and shall be construed in accordance with, the laws of Portugal.

(b) ***Jurisdiction***

The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Instrument or the Notes (other than the provisions of the Excluded Matters, in respect of which the courts of Portugal shall have jurisdiction) and accordingly any legal action or proceedings arising out of or in connection with the Notes (including any legal action or proceedings relating to non-contractual obligations arising out of or in connection with them) (“**Proceedings**”) may be brought in such courts. The Issuer has in the Instrument irrevocably submitted to the jurisdiction of the courts of England in respect of any such Proceedings (other than in respect of Excluded Matters) and to the jurisdiction of the courts of Portugal in respect of any Proceedings relating to Excluded Matters.

(c) ***Service of Process***

The Issuer has in the Instrument irrevocably appointed Law Debenture Corporate Services Limited of 8th Floor, 100 Bishopsgate, London EC2N 4AG as agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

(d) ***Acknowledgement of Statutory Loss Absorption Powers***

Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Holder (which, for the purposes of this Condition 12(d), includes each Holder of a beneficial interest in the Notes), by its acquisition of the Notes, each Holder acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

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

- (iv) the amendment or alteration of the Maturity Date of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and
- (2) the variation of the terms of the Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority.

No repayment or payment of Relevant Amounts in respect of the Notes will become due and payable or be paid after the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Neither a reduction or cancellation, in part or in full, of the Relevant Amounts, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of the Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Notes will be an event of default.

Upon the exercise of the Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Holders in accordance with Condition 10 as soon as practicable regarding such exercise of the Statutory Loss Absorption Powers but any failure to provide such notice shall not affect the validity or enforceability of such exercise of the Statutory Loss Absorption Powers.

Each Holder also acknowledges and agrees that this provision is exhaustive with respects to any Holder's rights under the Notes on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Statutory Loss Absorption Powers to the Notes.

13 Contracts (Rights of Third Parties) Act 1999

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

14 Definitions and Interpretations

In these Conditions, references to "principal" shall be deemed to include any Early Redemption Amount, Optional Redemption Amount, Clean-up Call Option Amount, Final Redemption Amount, premium or other amounts (other than amounts of interest) payable in respect of the Notes and references to payment of "interest" shall be deemed to include Additional Amounts (if applicable).

In these Conditions:

"Additional Amounts" has the meaning given to it in Condition 7;

"Adjustment Spread" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)

- (ii) the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if Independent Adviser determines that no such spread is customarily applied)
- (iii) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

“**Affiliate Member**” means any authorised financial intermediary entitled to hold control accounts with the CVM and includes any banks or financial intermediaries appointed by Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) for the purpose of holding individual Securities Accounts on behalf of Euroclear and Clearstream, Luxembourg;

“**Agency Terms**” has the meaning given to it in the preamble of these Conditions;

“**Agent Bank**” has the meaning given to it in the preamble to these Conditions;

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 3(k)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes and of a comparable duration to: (i) in the case of Floating Rate Notes, the relevant Interest Accrual Period(s); or (ii) in the case of Reset Notes, the relevant Reset Period(s);

“**Applicable Maturity**” means the period of time designated in the Reference Rate;

“**Article 8-A**” means Article 8-A of Decree-Law 199/2006 of 25 October 2006, as amended or superseded (including by Law 23/2019 of 13 March 2019, which implemented Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017);

“**Benchmark Amendments**” has the meaning given to it in Condition 3(k)(iv);

“**Benchmark Event**” means:

- (i) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for the Paying Agent, the Agent Bank, the Issuer or any other party to calculate any payments due to be made to any Holder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Paying Agent and the Agent Bank. For the avoidance of doubt, neither the Paying Agent nor the Agent Bank shall have any responsibility for making such determination;

“**BRRD**” means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time (including, without limitation, by Directive (EU) 2017/2399 and by Directive (EU) 2019/879);

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a TARGET Business Day; and/or
- (iii) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres;

a “**Capital Disqualification Event**” is deemed to have occurred if there is a change (which the Issuer determines has occurred or which the Relevant Regulator considers to be sufficiently certain) in the regulatory classification of the Notes which becomes effective on or after the Reference Date and that results, or would be likely to result, in the entire principal amount of or, to the extent not prohibited by the Regulatory Capital Requirements, some of the principal amount of the Notes being excluded from the Tier 2 Capital of the Group or the Issuer (other than as a result of any applicable limitation on the amount of such capital as applicable to the Group or the Issuer, as the case may be). For the avoidance of doubt, any amortisation of the Notes pursuant to Article 64 of the Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending Regulation (EU) No. 648/2012 (or any equivalent or successor provision) shall not constitute a Capital Disqualification Event;

“**Clean-up Call Minimum Percentage**” means 75 per cent. or such other higher percentage specified in the applicable Final Terms;

“**Clean-up Call Effective Date**” means (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, the Issue Date of the first tranche of the Notes and (ii) in the case of Tier 2 Notes, the date specified in the applicable Final Terms or such earlier date as may be permitted under the Regulatory Capital Requirements from time to time;

“**Conditions**” has the meaning given to it in the preamble to these Conditions;

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Accrual Period, the “**Calculation Period**”);

- (i) if “**Actual/Actual**” or “**Actual/Actual - ISDA**” is specified in the applicable 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);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/365 (Sterling)**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

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

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

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D₂** will be 30;

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

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

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30;

- (viii) if “**Actual/Actual-ICMA**” is specified in the applicable Final Terms,

- (a) 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 (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

- (b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins 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

(y) 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 any year,

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date(s) specified as such in the applicable Final Terms or, if none is so specified, the Interest Payment Date(s) or, as applicable, Reset Note Interest Payment Date(s);

“euro” means the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty of Rome establishing the European Communities as amended;

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

“Excluded Matters” has the meaning given to it in Condition 12(a);

“Extraordinary Resolution” has the meaning given to it in the Instrument;

“Financial Adviser” means an investment bank or financial institution of international standing selected by the Issuer;

“First Par Call Notes Redemption Date” means, in respect of any Par Call Notes, the first Optional Redemption Date on which the Notes may be redeemed at the Par Call Amount;

“First Reset Period” means the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

“First Reset Rate of Interest” means, subject to Condition 3(b)(ii), the rate of interest determined by the Agent Bank on the relevant Reset Determination Date corresponding to the First Reset Period as the sum of the relevant Reset Rate plus the First Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Duration to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Agent Bank));

“Group” means the Issuer and its Subsidiaries;

“Holder” has the meaning given to it in Condition 1;

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 3(k)(i);

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Specified Denomination for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Final Terms as being payable on the Interest Payment Date or, as applicable, Reset Notes Interest Payment Date relating to (and immediately following) the last day of such Interest Accrual Period; and
- (ii) in respect of any other period, the amount of interest payable per Specified Denomination for that period;

“Interest Commencement Date” means the Issue Date or such other date as may be specified in the applicable Final Terms;

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Final Terms or, if none is so specified, (i) the day falling two TARGET

Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro, (ii) the first day of such Interest Accrual Period if the Specified Currency is sterling and (iii) the day falling two business days in London prior to the first day of such Interest Accrual Period if the Specified Currency is neither sterling nor euro;

“**Interest Period Date**” means each Interest Payment Date or (as applicable) Reset Notes Interest Payment Date unless otherwise specified in the applicable Final Terms;

“**Loss Absorption Compliant Notes**” means securities issued directly by the Issuer that:

- (i) have terms which are not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer)) prior to the issue of the relevant securities or, as appropriate, variation of the Notes, and, subject thereto, which:
 - (A) contain terms which comply with the then current Loss Absorption Regulations in order to be eligible to qualify in full towards the Issuer’s and/or the Group’s minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity instruments;
 - (B) provide for the same Rate of Interest and Interest Payment Dates or (as applicable) Reset Notes Interest Payment Dates from time to time applying to the Notes;
 - (C) rank *pari passu* with the Notes;
 - (D) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption;
 - (E) preserve any existing rights under these Conditions to any accrued interest or other amounts which have not been paid;
 - (F) do not contain terms which provide for interest cancellation or deferral (provided that this paragraph (F) shall not preclude the inclusion of any provision analogous to Condition 12(d)); and
 - (G) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (provided that this paragraph (G) shall not preclude the inclusion of any provision analogous to Condition 12(d));
- (ii) are listed or admitted to trading on a stock exchange commonly used in debt capital markets transactions in the international capital markets if the Notes were listed on such a stock exchange immediately prior to such variation or substitution; and
- (iii) where the Notes which have been substituted or varied had a published rating from a Rating Agency immediately prior to their substitution or variation and such rating was solicited by or on behalf of the Issuer, each such Rating Agency has ascribed, or announced its intention to ascribe, a published rating to the relevant Loss Absorption Compliant Notes equal to or higher than (A) the solicited published rating of the Notes from the Rating Agency immediately prior to their substitution or variation or (B) where the solicited published rating of the Notes was, as a result of Condition 12(d) becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the solicited published rating of the Notes from the Rating Agency immediately prior to such amendment, save that this proviso shall not prevent any changes being made to the governing law of Condition 12(d) where such changes are needed to ensure the effectiveness or enforceability of Condition 12(d).

Any change to the governing law of Condition 12(d) in order to ensure the effectiveness or enforceability of Condition 12(d) shall, of itself, be deemed for the purposes of (i) above not to be materially less favourable to a Holder.

a **“Loss Absorption Disqualification Event”** shall be deemed to have occurred if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective on or after the Reference Date, the entire principal amount of the Notes or any part thereof, is, or (in the opinion of the Issuer or the Relevant Regulator) is likely to be, excluded from the Issuer’s and/or the Group’s minimum requirements for (i) own funds and eligible liabilities and/or (ii) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer and/or the Group and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur (a) where the relevant exclusion is due to the remaining maturity of the Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer and/or the Group on the Reference Date; or (b) where the relevant exclusion is as a result of any applicable limitation on the amount of liabilities of the Issuer that may qualify as (i) own funds and eligible liabilities and/or (ii) loss absorbing capacity instruments, of the Issuer or the Group;

“Loss Absorption Regulations” means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of Portugal, the Relevant Regulator and/or of the European Parliament or of the Council of the European Union then in effect in Portugal and applicable to the Issuer and/or the Group, including, without limitation to the generality of the foregoing, any applicable delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by any Relevant Regulator from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer and/or the Group);

"Make-Whole Reference Bond" means (i) the security set out in the applicable Final Terms (if such security is then outstanding and a quote is available on the Reference Screen Page) or (ii) (x) if such security set out in the applicable Final Terms is no longer outstanding or the Reference Screen Page does not quote the yield on such security, or (y) in the case of any Par Call Notes, at any time after the First Par Call Notes Redemption Date, a government security or securities selected by the Issuer in consultation with an independent investment bank of international standing on the Business Day immediately preceding the Make-Whole Reference Date and notified to the Financial Adviser with an actual or interpolated maturity comparable with the remaining term to the Maturity Date, or in the case of any Par Call Notes, the next occurring Par Call Notes Redemption Date that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the remaining term to the Maturity Date, or in the case of any Par Call Notes, the next occurring Par Call Notes Redemption Date;

“Make-Whole Reference Government Bond Dealer Quotations” means, with respect to each Reference Government Bond Dealer and any date for redemption that does not fall on a Par Call Notes Redemption Date, the arithmetic average, as determined by the Financial Adviser, of the bid and offered prices for the Make-Whole Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time on the Make-Whole Reference Date quoted in writing to the Financial Adviser by such Reference Government Bond Dealer;

"Make-Whole Reference Bond Rate" means, with respect to any Optional Redemption Date that does not fall on a Par Call Notes Redemption Date, either: (1) the rate per annum equal to the annual yield to maturity of the Make-Whole Reference Bond displayed on the Reference Screen Page as of approximately the Quotation Time on the Make-Whole Reference Date, as determined by the Financial Adviser; or (2) if the Reference Screen Page is not available as of the Quotation Time on the Make-Whole Reference Date, the rate per annum equal to the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Make-Whole Reference Bond, assuming a price for the Make-Whole Reference Bond (expressed as a percentage of its principal amount) equal to (A) the arithmetic average of the Make-Whole Reference Government Bond Dealer Quotations for such Optional Redemption Date, after excluding the highest such Make-Whole Reference Government Bond Dealer Quotation (or if, there is more than one highest Make-Whole Reference Government Bond Dealer Quotation, one only of those Make-Whole Reference Government Bond Dealer Quotations) and the lowest such Make-Whole Reference Government Bond Dealer Quotation (or if, there is more than one lowest Make-Whole Reference Government Bond Dealer Quotation, one only of those Make-Whole Reference Government Bond Dealer Quotations), or (B) if the Financial Adviser obtains fewer than four such Make-Whole Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

"Make-Whole Reference Date" means the date set out in the relevant notice of redemption and shall in any event be no earlier than the day falling two Business Days prior to the relevant Optional Redemption Date;

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

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

"Mid-Swap Floating Leg Benchmark Rate" means, where the Specified Currency is euro, EURIBOR;

"Mid-Swap Rate" means, in relation to a Reset Determination Date and subject to Condition 3(b)(ii), either:

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

which appears on the Relevant Screen Page, in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Agent Bank;

“**Notes**” has the meaning given to it in the preamble to these Conditions;

“**Original Reference Rate**” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes or, if applicable, any other successor or alternative rate (or any component part thereof) determined and applicable to the Notes pursuant to the earlier operation of Condition 3(k);

“**Par Call Notes**” means any Notes in respect of which: (i) Issuer Call is specified as being applicable in the applicable Final Terms; and (ii) any Optional Redemption Amount is specified as being an amount per Specified Denomination equal to the Specified Denomination (such Optional Redemption Amount, the “**Par Call Amount**”);

“**Par Call Notes Redemption Date**” means an Optional Redemption Date on which the Notes may be redeemed at the Par Call Amount;

“**Paying Agent**” has the meaning given to it in the preamble to these Conditions;

“**Rate of Interest**” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Final Terms;

“**Rating Agency**” means each of Moody’s Investors Service España S.A., DBRS Ratings GmbH and their successors and any other rating agency of equivalent international standing specified from time to time by the Issuer;

“**Reference Banks**” means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, selected by the Issuer in consultation (if the Agent Bank is not the Issuer at the relevant time) with the Agent Bank;

“**Reference Bond**” means for any Reset Period, a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer on the advice of an investment bank of international repute as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the relevant Reset Period;

“**Reference Bond Price**” means, with respect to any Reset Determination Date, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Agent Bank obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations. If no quotations are provided, the Reset Rate will be determined by the Issuer in consultation (if the Agent Bank is not the Issuer at the relevant time) with the Agent Bank;

“**Reference Bond Rate**” means the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its principal amount) equal to the relevant Reference Bond Price, as calculated by the Agent Bank;

“**Reference Date**” means the later of (i) the Issue Date and (ii) the latest date (if any) on which any further Notes have been issued pursuant to Condition 11;

“Reference Government Bond Dealer” means each of five banks (selected by the Issuer on the advice of an investment bank of international repute), or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

“Reference Government Bond Dealer Quotations” means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Agent Bank, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its principal amount) at or around the Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Agent Bank by such Reference Government Bond Dealer;

“Reference Screen Page” shall be set out in the applicable Final Terms (or any successor or replacement page, section or other part of the information service), or such other page, section or other part as may replace it on the information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying the mid-market yield to maturity for the Make-Whole Reference Bond, as determined by the Issuer in consultation with an independent investment bank of international standing; and

“Regulatory Capital Requirements” means, at any time, any requirement contained in the laws, regulations, requirements, guidelines and policies of the Relevant Regulator, Portugal and/or any regulation, directive or other binding rules adopted by the institutions of the European Union then in effect in Portugal relating to capital adequacy and applicable to the Group and/or the Issuer;

“Regulatory Permission” means, in relation to any action, such notice, regulatory permission (and/or, as appropriate, consent, approval or waiver) by the Relevant Regulator as is required therefor under prevailing Loss Absorption Regulations (if any);

“Relevant Amounts” means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and Additional Amounts due on the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority;

“Relevant Date” means (i) in respect of any payment other than a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Holders that such payment will be made, provided that payment is in fact made, and (ii) in respect of a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date which is one day prior to the date on which an order is made or a resolution is passed for the Winding-Up;

“Relevant Jurisdiction” means Portugal or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and/or interest on the Notes;

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

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of
 - (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of

the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

“**Relevant Regulator**” means the Bank of Portugal, the Single Resolution Board, the European Central Bank or such other authority having primary supervisory authority with respect to prudential and/or resolution matters concerning the Issuer and/or the Group, as may be relevant in the context and circumstances;

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Statutory Loss Absorption Powers in relation to the Issuer;

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service);

“**Remaining Term Interest**” means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term to the Maturity Date or, in the case of any Par Call Notes, the next occurring Par Call Notes Redemption Date, determined on the basis of the rate of interest applicable to such Note from and including the relevant Optional Redemption Date;

“**Reset Date**” means the First Reset Date, the Second Reset Date and every Subsequent Reset Date as may be specified in the applicable Final Terms;

“**Reset Determination Date**” means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Reset Period thereafter, the second Business Day prior to the first day of each such Reset Period;

“**Reset Period**” means the First Reset Period or a Subsequent Reset Period;

“**Reset Rate**” means (a) the relevant Mid-Swap Rate as specified in the applicable Final Terms or (b) if Reference Bond is specified in the applicable Final Terms, the relevant Reference Bond Rate;

“**Senior Creditors**” means (a) creditors of the Issuer who are unsubordinated creditors of the Issuer; and (b) creditors of the Issuer whose claims are or are expressed to be subordinated to the claims of other creditors of the Issuer (other than those whose claims are in respect of obligations which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital or Tier 2 Capital or whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of Holders in respect of the Tier 2 Notes);

“**Senior Higher Priority Liabilities**” means any unsecured, unsubordinated and unguaranteed obligations of the Issuer other than Senior Non-Preferred Liabilities;

“**Senior Non-Preferred Liabilities**” means any unsecured senior non-preferred obligations of the Issuer issued under Article 8-A (including any Senior Non-Preferred Notes) and any other obligations which, by law and/or by their terms, and to the extent permitted by Portuguese law, rank *pari passu* with unsecured senior non-preferred obligations of the Issuer issued under Article 8-A;

“**Specified Currency**” means the currency specified as such in the applicable Final Terms or, if none is specified, the currency in which the Notes are denominated;

“**Statutory Loss Absorption Powers**” means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Portugal, relating to (i) the transposition of the BRRD (including but not limited to the General Framework for Credit Institutions and Financial Companies (*Regime Geral das Instituições de Crédito e Sociedades Financeiras*), established by Decree-Law No. 298/92 of December 1992,

as amended or superseded (including by any banking activity code that may enter into force)) and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period);

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

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and subject to Condition 3(b)(ii), the rate of interest determined by the Agent Bank on the relevant Reset Determination Date corresponding to such Subsequent Reset Period as the sum of the relevant Reset Rate plus the applicable Subsequent Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Duration to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Agent Bank));

“**Subsidiary**” means any entity of which the Issuer, from time to time (i) owns, directly or indirectly, more than 50 per cent. of the share capital or similar right of ownership, or (ii) owns or is able to exercise, directly or indirectly, more than 50 per cent. of the voting rights, or (iii) has the right to appoint the majority of the members of the board of directors, and in each case is within the consolidation perimeter of the Issuer;

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body;

“**Supervisory Permission**” means, in relation to any action, such supervisory permission or non-objection (or, as appropriate, waiver) by the Relevant Regulator as is required therefor under prevailing Regulatory Capital Requirements (if any);

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor system;

“**TARGET Business Day**” means a day on which T2 is operating;

“**Tax Event**” is deemed to have occurred if, as a result of a Tax Law Change:

- (i) in making any payments on the Notes, the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts; or
- (ii) the Issuer is no longer entitled to claim a deduction in respect of any payments in respect of the Notes in computing its taxation liabilities or the amount of such deduction is materially reduced; or
- (iii) the Issuer is not able to have losses or deductions set against the profits or gains, or profits or gains offset by the losses or deductions, of companies with which it is or would otherwise be so grouped for applicable Portuguese tax purposes (whether under the tax grouping system current as at the date of issue of the Notes or any similar system or systems having like effect as may from time to time exist),

and, in any such case, the Issuer could not avoid the foregoing by taking measures reasonably available to it;

“**Tax Law Change**” means a change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, including any treaty to which such Relevant Jurisdiction is a party, or any change in the application of official or generally published interpretation of such laws, including a decision of any court or tribunal, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position in relation to similar transactions or which differs from any specific written statements made by a tax authority regarding the anticipated tax

treatment of the Notes, which change or amendment becomes public or becomes effective on or after the Reference Date;

“**Tier 1 Capital**” has the meaning given to it from time to time by the Relevant Regulator or the applicable prudential rules;

“**Tier 2 Capital**” has the meaning given to it from time to time by the Relevant Regulator or the applicable prudential rules;

“**Tier 2 Compliant Notes**” means securities issued directly by the Issuer that:

- (i) have terms which are not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer)) prior to the issue of the relevant securities or, as appropriate, variation of the Notes, and, subject thereto, which:
 - (A) contain terms which comply with the then current requirements of the Relevant Regulator in relation to Tier 2 Capital;
 - (B) provide for the same Rate of Interest and Interest Payment Dates or (as applicable) Reset Notes Interest Payment Dates from time to time applying to the Notes;
 - (C) rank *pari passu* with the Notes;
 - (D) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption;
 - (E) preserve any existing rights under these Conditions to any accrued interest or other amounts which have not been paid;
 - (F) do not contain terms which provide for interest cancellation or deferral (provided that this paragraph (F) shall not preclude the inclusion of any provision analogous to Condition 12(d)); and
 - (G) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (provided that this paragraph (G) shall not preclude the inclusion of any provision analogous to Condition 12(d));
- (ii) are listed or admitted to trading on a stock exchange commonly used in debt capital markets transactions in the international capital markets if the Notes were listed on such a stock exchange immediately prior to such variation or substitution; and
- (iii) where the Notes which have been substituted or varied had a published rating from a Rating Agency immediately prior to their substitution or variation and such rating was solicited by or on behalf of the Issuer, each such Rating Agency has ascribed, or announced its intention to ascribe, a published rating to the relevant Tier 2 Compliant Notes equal to or higher than (A) the solicited published rating of the Notes from the Rating Agency immediately prior to their substitution or variation or (B) where the solicited published rating of the Notes was, as a result of Condition 12(d) becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the solicited published rating of the Notes from the Rating Agency immediately prior to such amendment, save that this proviso shall not prevent any changes being made to the governing law of Condition 12(d) where such changes are needed to ensure the effectiveness or enforceability of Condition 12(d).

Any change to the governing law of Condition 12(d) in order to ensure the effectiveness or enforceability of Condition 12(d) shall, of itself, be deemed for the purposes of (i) above not to be materially less favourable to a Holder; and

“Winding-Up” means:

- (i) an order is made, or an effective resolution is passed, for the winding-up of the Issuer (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation, the terms of which reorganisation, reconstruction or amalgamation have previously been approved in writing by an Extraordinary Resolution and do not provide that the Notes thereby become redeemable or repayable in accordance with these Conditions); or
- (ii) liquidation or dissolution of the Issuer or any procedure similar to that described in paragraph (i) of this definition is commenced in respect of the Issuer, including any bank insolvency procedure or bank administration procedure pursuant to the General Framework for Credit Institutions and Financial Companies (*Regime Geral das Instituições de Crédito e Sociedades Financeiras*), established by Decree-Law No. 298/92 of December 1992, as amended or superseded (including by any banking activity code that may enter into force).

SCHEDULE 2

Provisions for Meetings of Holders

1 Interpretation

In this Schedule:

- (a) references to a meeting are to a physical meeting, a virtual meeting or a hybrid meeting of Holders of the Notes and include, unless the context otherwise requires, any adjournment;
- (b) references to “**Notes**” and “**Holders**” are only to the Notes in respect of which a meeting has been, or is to be, called, and to the holders of these Notes, respectively;
- (c) “**agent**” means a holder of a voting certificate or a proxy for, or representative of, a Holder;
- (d) “**block voting instruction**” means an instruction issued in accordance with paragraph 8;
- (e) “**electronic platform**” means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems;
- (f) “**Extraordinary Resolution**” means a resolution passed (a) at a meeting duly convened and held in accordance with the Instrument by a majority of at least 75 per cent. of the votes cast or (b) by a Written Resolution;
- (g) “**hybrid meeting**” means a combined physical meeting and virtual meeting convened pursuant to this Schedule by the Issuer at which persons may attend either at the physical location specified in the notice of such meeting or via an electronic platform;
- (h) “**meeting**” means a meeting convened pursuant to this Schedule by the Issuer and whether held as a physical meeting or as a virtual meeting or as a hybrid meeting;
- (i) “**physical meeting**” means any meeting attended by persons present in person at the physical location specified in the notice of such meeting;
- (j) “**present**” means physically present in person at a physical meeting or a hybrid meeting, or able to participate in or join a virtual meeting or a hybrid meeting held via an electronic platform;
- (k) “**virtual meeting**” means any meeting held via an electronic platform;
- (l) “**voting certificate**” means a certificate issued in accordance with paragraphs 6 and 7;
- (m) “**Written Resolution**” means a resolution in writing signed by the Holders of not less than 75 per cent. in principal amount of the Notes outstanding; and
- (n) references to persons representing a proportion of the Notes are to Holders or agents holding or representing in the aggregate at least that proportion in principal amount of the Notes for the time being outstanding.

2 Powers of meetings

A meeting shall, subject to the Conditions, have power by Extraordinary Resolution:

- (a) to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Holders against the Issuer whether or not those rights arise under the Instrument or the Notes;
- (b) to sanction the exchange or substitution for the Notes (other than in circumstances described in Condition 4(h)) of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity;
- (c) to assent to any modification of the Instrument or the Notes proposed by the Issuer;
- (d) to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- (e) to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- (f) to appoint any persons (whether Holders or not) as a committee or committees to represent the Holders' interests and to confer on them any powers or discretions which the Holders could themselves exercise by Extraordinary Resolution; and
- (g) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Instrument,

provided that (other than in the circumstances described in Condition 4(h)) the special quorum provisions in paragraph 11 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 2(b) or 2(g), or for the purpose of making a modification to this Instrument or the Notes which would have the effect of:

- (i) modifying the provisions regarding the status of the Notes referred to in Condition 2 and Clause 5 of the Instrument
- (ii) modifying the maturity of the Notes or the dates on which interest is payable in respect of the Notes
- (iii) reducing or cancelling the principal amount of or interest on, or varying the method of calculating the rate of interest on, the Notes
- (iv) changing the currency of payment of the Notes
- (v) modifying the provisions concerning the quorum required at any meeting of Holders or the majority required to pass an Extraordinary Resolution or
- (vi) amending this proviso.

3 Convening a Meeting

The Issuer or Holders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding may convene a meeting of the Holders.

4 Notice

At least 21 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) shall be given to the Holders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day and time of the meeting and manner in which it is to be held, and if a physical meeting or hybrid meeting is to be held, the place of the meeting and the nature of the resolutions to be proposed and

shall explain how Holders may appoint proxies or representatives, obtain voting certificates and use block voting instructions and the details of the time limits applicable. With respect to a virtual meeting or a hybrid meeting, each such notice shall set out such other and further details as are required under paragraph 17.

5 Cancellation of a meeting

A meeting that has been validly convened in accordance with paragraph 3 above may be cancelled by the person who convened such meeting by giving at least 3 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) to the Holders. Any meeting cancelled in accordance with this paragraph 5 shall be deemed not to have been convened.

6 Arrangements for Voting

A Holder may, in accordance with the Rules, obtain a voting certificate in respect of Notes held by it for a meeting by requesting the relevant custodian of the Notes to block such Notes and then issue a voting certificate in respect of them.

7 Voting Certificates

7.1 A voting certificate shall:

- (a) be a document in the English language;
- (b) be dated;
- (c) specify the meeting concerned and the serial numbers of the relevant Notes; and
- (d) entitle, and state that it entitles, its holder to attend and vote at that meeting in respect of those Notes.

7.2 Once the relevant custodian of the Notes has issued a voting certificate for a meeting in respect of a Note in accordance with the Rules, it shall not release the Note until either:

- (a) the meeting has been concluded; or
- (b) the voting certificate has been surrendered to the relevant custodian of the Notes.

8 Block Voting

8.1 A block voting instruction shall:

- (a) be a document in the English language;
- (b) be dated;
- (c) specify the meeting concerned;
- (d) list the total number of Notes, distinguishing with regard to each resolution between those voting for and those voting against it;
- (e) certify that such list is in accordance with Notes deposited and directions received; and
- (f) appoint a named person (a "proxy") to vote at that meeting in respect of those Notes and in accordance with that list. A proxy need not be a Holder.

8.2 Once the custodian of the Notes has issued a block voting instruction for a meeting in respect of the votes attributable to any Notes:

- (a) it shall not unblock the Notes, except as provided in paragraph 8.3, until the meeting has been concluded; and
- (b) the directions to which it gives effect may not be revoked or altered during the 48 hours before the time fixed for the meeting.

8.3 If a request for a voting certificate is made to the custodian of the Notes at least 48 hours before the time fixed for the meeting, the custodian shall unblock the Notes and exclude the votes attributable to such Notes from the block voting instruction.

8.4 Each block voting instruction shall be deposited at least 24 hours before the time fixed for the meeting at such place or delivered by another method as the Issuer shall designate or approve, and in default it shall not be valid unless the chairperson of the meeting decides otherwise before the meeting proceeds to business.

8.5 A vote cast in accordance with a block voting instruction shall be valid even if it or any of the Holders' instructions pursuant to which it was executed has previously been revoked or amended, unless written intimation of such revocation or amendment is received from the custodian of the Notes by the Issuer at its registered office or by the chairperson of the meeting in each case at least 24 hours before the time fixed for the meeting.

9 Chairperson

The chairperson of a meeting shall be the common representative if one has been appointed, or the chairperson designated by the Issuer for general shareholder meetings.

10 Attendance

The following may attend and speak at a meeting:

- (a) Holders and agents;
- (b) the chairperson; and
- (c) the Issuer (through its legal representatives) and its financial and legal advisers.

No-one else may attend, participate and/or speak.

11 Quorum and Adjournment

11.1 No business shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Holders or if the Issuer agrees, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place or manner in which it is to be held as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

11.2 One or more Holders or agents present at the meeting shall be a quorum:

- 11.2.1** in the cases marked "No minimum proportion" in the table below, whatever the proportion of the Notes which they represent; and
- 11.2.2** in any other case, only if they represent the proportion of the outstanding Notes shown by the table below.

COLUMN 1	COLUMN 2	COLUMN 3
Purpose of meeting	Any meeting except one referred to in column 3	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a special quorum resolution	Two-thirds	One-third
To pass any other Extraordinary Resolution	More than 50 per cent.	No minimum proportion
Any other purpose	10 per cent.	No minimum proportion

11.3 The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place and alternate manner. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 11.1.

11.4 At least 10 days' notice (exclusive of the day on which the notice is given and the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

12 Voting

12.1 At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairperson, the Issuer or one or more persons representing not less than 2 per cent. of the Notes outstanding.

12.2 Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.

12.3 If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.

12.4 A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.

12.5 On a show of hands every person who is present in person and who produces a Note or a voting certificate or is a proxy or representative has one vote. On a poll every such person has one vote in respect of each €1.00 in principal amount of Notes so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need

12.6 In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

- 12.7** At a virtual meeting or a hybrid meeting, a resolution put to the vote of the meeting shall be decided on a poll in accordance with paragraph 19, and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.

13 Effect of a Resolution

An Extraordinary Resolution shall be binding on all the Holders, whether or not present at the meeting and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Holders within 14 days but failure to do so shall not invalidate the resolution.

14 Written Resolution

- 14.1** For the purpose of determining whether a Written Resolution has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the clearing system(s) with entitlements to the Notes and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Holders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system in accordance with its usual procedures and in which the accountholder of a particular principal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

- 14.2** A Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders.

- 14.3** A Written Resolution shall take effect as an Extraordinary Resolution. A Written Resolution will be binding on all Holders, whether or not they participated in such Written Resolution.

15 Minutes

Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

16 Inconsistency with Rules

To the extent of any inconsistency between the foregoing paragraphs and the Rules, the Rules shall prevail.

Additional provisions applicable to Virtual and/or Hybrid Meetings

- 17** The Issuer, in its sole discretion may decide to hold a virtual meeting or a hybrid meeting and, in such case, shall provide details of the means for Holders or their proxies or representatives to attend, participate in and/or speak at the meeting, including the electronic platform to be used.
- 18** The Issuer or the chairperson in its sole discretion may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the suitability of the electronic platform. All documentation that is required to be passed between persons at or for the purposes of the virtual meeting or persons attending the hybrid meeting via the electronic platform (in each case, in whatever capacity) shall be communicated by email (or such other medium of electronic communication as the Issuer may approve).
- 19** All resolutions put to a virtual meeting or a hybrid meeting shall be voted on by a poll in accordance with paragraphs 12.3 to 12.7 above (inclusive).
- 20** Persons seeking to attend, participate in, speak or join a virtual meeting or a hybrid meeting via the electronic platform, shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- 21** In determining whether persons are attending, participating in or joining a virtual meeting or a hybrid meeting via the electronic platform, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- 22** Two or more persons who are not in the same physical location as each other attend a virtual meeting or a hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- 23** The chairperson of the meeting reserves the right to take such steps as the chairperson shall determine in its absolute discretion to avoid or minimise disruption at the meeting, which steps may include (without limitation), in the case of a virtual meeting or a hybrid meeting, muting the electronic connection to the meeting of the person causing such disruption for such period of time as the chairperson may determine.
- 24** The Issuer in its sole discretion may make whatever arrangements they consider appropriate to enable those attending a virtual meeting or a hybrid meeting to exercise their rights to speak or vote at it.
- 25** A person is able to exercise the right to speak at a virtual meeting or a hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Schedule.
- 26** A person is able to exercise the right to vote at a virtual meeting or a hybrid meeting when:

- 26.1** that person is able to vote, during the meeting, on resolutions put to the vote at the meeting;
and
- 26.2** that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all such other persons attending the meeting who are entitled to vote at such meeting.

In witness whereof this Instrument has been executed and delivered as a deed on the date stated at the beginning.

NOVO BANCO, S.A.

By: [MARK GEORGE BOURKE]

By: [CARLOS JORGE FERREIRA BRANDÃO]

Authorised Signatory

Authorised Signatory