

The AIFI Investment Portfolio Directions have done away with the maximum period within which investments in the HFT category need to be sold. The directions have also retained the classification for investments in subsidiaries, associates and joint ventures. All investments should be measured at fair value on initial recognition. Unless facts and circumstances suggest that the fair value is materially different from the acquisition cost, it must be presumed that in most cases, the acquisition cost is the fair value. The same position (as set out in erstwhile guidelines) has been continued in terms of the consolidated AIFI Investment Portfolio Directions and the As investments are initially recognised at acquisition cost.

The AIFI Investment Portfolio Directions have prescribed robust disclosures as per which an AIFI shall disclose the details of the issuer composition of non-Government investments and the non-performing non-Government investments in the 'Notes to Accounts' of the balance sheet, as per Reserve Bank of India (All India Financial Institutions – Financial Statements: Presentation and Disclosures) Directions, 2025.

By way of the AIFI Capital Adequacy Directions AIFIs are required to maintain a minimum total capital of 9%, with 7% minimum tier-I capital and 5.5% CET-1 capital. Financial subsidiaries (except insurance and non-financial) must be fully consolidated for capital adequacy assessment. Additionally, AIFIs' investments in capital instruments of financial entities have been capped at 10% of their capital funds. Further, under these directions, AIFIs can't acquire more than 5% of an entity's equity capital if it exceeds their holding limit. As per these directions, the maximum equity investment in a single entity is 49%, and if acquired against claims, it must be reduced to below 10% in three years.

Thus, under these directions, AIFIs are to focus on effective capital planning, risk assessment, and forward-looking stress testing for long-term capital maintenance.

RBI Master Direction (Commercial Paper and Non-Convertible Debentures of original or initial maturity up to one year) Directions, 2024 dated January 3, 2024

The RBI has brought in several key amendments to the existing regulatory framework for the primary issuance of Commercial Papers ("CP") and Non-Convertible Debentures ("NCDs"). In the primary market, the issuance is mandated to be in dematerialized form and held with a depository registered with SEBI having a minimum denomination of INR 5 lakhs and in multiples of INR 5 lakhs thereafter.

The CPs are required to be issued at a discount to the face value. Likewise, NCDs are required to be issued at a discount to the face value or with a fixed or floating rate coupon. Such coupon rate for NCDs is linked to either (i) a benchmark published by a Financial Benchmark Administrator; or (ii) RBI's policy rates; or (iii) approved by the Fixed Income Money Market and Derivatives Association of India ("FIMMDA") in order to ensure transparency and an arms' length transaction structure. The coupon amount is also included in the repayment of the CPs and NCDs through the relevant intermediary.

The Master Directions have prescribed for a tenor of not less than 7 (seven) days and not more than 1 (one) year in case of CPs, and not less than 90 (ninety) days and not more than 1 (one) year in case of NCDs. Further, within the prescribed tenor, settlement has to be completed within T+4 working days, where T represents the deal date, i.e., the date on which the trade details, including price/rate are agreed by the issuer and the investor(s). In the case of a secondary issuance, the settlement cycle for Over-the-Counter trades in CPs and NCDs shall be either T+0 or T+1.

RBI Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024 dated February 27, 2024

The RBI has issued a 'master direction for filing of supervisory returns' for banks, non-banking finance companies, and select all-India financial institutions, rationalizing and consolidating all the existing instructions on submission of data in order to provide clarity and reduce compliance burden. The master direction provides a broader framework to understand the purpose of the returns and harmonises the timelines for their submission.

Supervisory returns refer to all periodic/ad-hoc data submitted to RBI in formats prescribed from time to time irrespective of the technology platform, periodicity and the mode of submission. As per RBI, besides the applicable returns, it may introduce new returns/withdraw existing returns (both ad-hoc/regular) for submission by SEs (supervised entities). Supervisors expect the SEs to be able to generate subsets of data based on requested scenarios. Select India financial institutions have to file 10 returns under these directions.

RBI Draft Disclosure framework on Climate-related Financial Risks, 2024 dated February 28, 2024

The RBI issued draft guidelines on 'Disclosure framework on climate-related financial risks, 2024'. The framework mandates disclosure by REs on four key areas of governance, strategy, risk management and metric and targets. The framework provides that for climate-related disclosures by Res with an aim to provide information on relevant risks encountered and approaches adopted to address these issues. It enables different stakeholders (e.g. regulators, investors, depositors and customers) with important sources of information that can help them make informed decisions. There is a need for REs to assess and disclose their climate-related financial risks, given its growing importance and relevance. Entities in scope of the draft framework will be required to report information on governance, strategy and risk management from FY 2025-2026 onwards. Information on metrics and targets will be required from FY 2027-2028 onwards.

RBI Master Direction on Outsourcing of Information Technology Services dated April 10, 2023

The Direction is applicable to Regulated Entities ("REs"), namely, all commercial banks, non-banking financial companies, primary co-operative banks, credit information companies, 'All India Financial Institutions' as defined under the Direction.

REs are required to implement a robust grievance redressal mechanism that shall not be compromised in any manner on account of outsourcing, i.e., responsibility for redressal of customers' grievances related to outsourced services shall rest with the RE. Further, the responsibility of addressing customer grievances related to IT services rest with REs, outsourcing arrangements shall not affect the rights of a customer against the RE, including the ability of the customer to obtain redressal as applicable under relevant laws. REs are required to implement a comprehensive board approved policy which specifies *inter alia*: (i) roles and responsibilities of the board and senior management, (ii) selection criteria for IT services and Service Providers, (iii) parameters for defining material outsourcing, (iv) disaster recovery and business continuity plans, (v) systems to monitor and review the operations of these activities, and (vi) termination processes and exit strategies depending on different scenarios of exit or termination of IT services (including identifying alternative arrangements for continuous provision of services).

REs are required to ensure that the Service Provider (when not a group company) must not be owned/controlled by any director, key managerial personnel, or approver of the REs' outsourcing arrangement, or their relatives, as such terms are defined under the Companies Act 2013, unless an exception to the same is approved by the board/board level committee of the REs. REs are required to ensure that cyber incidents are reported to them by their Service Providers without undue delay, so that the same can be reported by the REs to the RBI within 6 (six) hours of detection by the Service Providers. The REs will now also have to ensure the compliance with for IT services outsourcing.

Reserve Bank of India (All India Financial Institutions – Managing Risks in Outsourcing) Directions, 2025 ("AIFI Outsourcing Directions") dated November 28, 2025 notification BI/DOR/2025-26/337 DOR.ORG.REC.No.256/21-04-158/2025-26

The aforementioned directions were replaced by the AIFI Outsourcing Directions which consolidated all the existing directions on the subject as applicable to an AIFI. An AIFI's existing Information Technology (IT) outsourcing agreements regardless of whether they are due for renewal on or after the effective date of these Directions shall comply with the provisions of these Directions either at the time of renewal or by April 10, 2026, whichever is earlier.

However, it may be noted that the AIFI's new IT outsourcing agreements that come into force on or after the effective date of these Directions, shall comply with the provisions of these Directions from the date of agreement itself. These Directions shall apply to an AIFI's material outsourcing of IT services. In this context, 'Outsourcing of IT Services' shall include outsourcing of the following services: (i) IT infrastructure management, maintenance, and support (hardware, software or firmware); (ii) network and security solutions, and maintenance (hardware, software or firmware); (iii) application development, maintenance, and testing by Application Service Providers (ASPs) including ATM Switch ASPs; (iv) services and operations related to data centres; (v) cloud computing services; (vi) managed security services; and (vii) management of IT infrastructure and technology services associated with payment system ecosystem.

Reserve Bank of India (Project Finance) Directions, 2025 dated June 19, 2025 notification RBI/2025-26/59 DOR.STR.REC.34/21.04.048/2025-26

Effective from October 1, 2025, these directions apply to all Commercial Banks (excluding Payments/RRBs), NBFCs, Housing Finance Companies, Primary Urban Cooperative Banks, and All India Financial Institutions. The reform aims to balance financial discipline with flexibility, improve risk management, and enhance credit quality in India's expanding project finance ecosystem.

It covers all project finance exposures where at least 51% of debt servicing arises from project cash flows and where all lenders are signatories to a common loan agreement. Projects achieving financial closure prior to October 1, 2025, will continue under existing norms, unless a fresh credit event or material contractual modification occurs thereafter. The directions introduce a phase-wise approach dividing the project lifecycle into (i) Design; (ii) Construction; and (iii) Operational phases.

The directions emphasize milestone-based disbursement and repayment aligned to project progress, with repayment tenures capped at 85% of the project's economic life. This lifecycle-based framework allows for more accurate risk pricing and progress-linked credit structuring.

The Banking Regulation (Amendment) Act, 2017 (No. 30 of 2017)

The promulgation of the Banking Regulation (Amendment) Act, 2017 (the "**Amendment**") inserting two new Sections (sections 35AA and 35AB) to follow Section 35A of the Banking Regulation Act, 1949, as amended, enables the Government of India ("**GoI**") to authorize the RBI to direct banking companies to resolve specific stressed assets by initiating the insolvency resolution process, where required. The RBI has also been empowered to issue other directions for resolution, and appoint or approve for appointment, authorities or committees to advise banking companies for stressed asset resolution. This measure will have a direct impact on effective resolution of stressed assets, particularly in consortium or multiple banking arrangements, as the RBI will be empowered to intervene in specific cases of resolution of non-performing assets, to bring them to a definite conclusion. The Amendment should lead to effective resolution of stressed assets, particularly in consortium or multiple banking arrangements.

Key features of the Amendment are as follows:

- The Amendment amends the Banking Regulation Act, 1949, as amended from time to time, to insert provisions for recovery of outstanding loans. Under these provisions, the Government may authorise the RBI to direct banks to initiate recovery proceedings against loan defaulters.
- These recovery proceedings will be under the IBC. The IBC provides for a time-bound process to resolve defaults by either (i) restructuring a loan (such as changing the repayment schedule), or (ii) liquidating the defaulter's assets.
- The RBI may from time-to-time issue directions to banks for resolving stressed assets. Stressed assets are loans where the borrower has defaulted on repayment, or loans which have been restructured.
- The RBI may specify authorities or committees to advise banks on resolving stressed assets. Members on these committees will be appointed or approved by the RBI.

The Banking Regulation (Amendment) Act, 2020

The Government enacted the Banking Regulation (Amendment) Act, 2020 ("**2020 Amendment**") which brought cooperative banks under the supervision of the RBI. The amendment also allows the RBI to prepare a scheme for the reconstruction or amalgamation of a banking company without the necessity of first making an order of moratorium.

Further, the 2020 Amendment also states that a cooperative bank may, with the prior approval of the RBI, issue, by way of public issue or private placement – (i) equity shares or preference shares or special shares, on face value or at premium; and (ii) unsecured debentures or bonds or other like securities with initial or original maturity of not less than ten years, to any member of such cooperative bank or any other person residing within its area of operation, subject to conditions, ceiling, limits or restrictions as specified by the RBI.

Banking Laws (Amendment) Act, 2025

The Lok Sabha passed the “Banking Laws (Amendment) Bill, 2024” on 3 December 2024. It received the assent of the President on the 15th April, 2025. It introduced comprehensive provisions to amend existing banking laws in India. The proposed amendments encompassed various critical aspects of banking regulations and governance, including changes to the RBI Act, the State Bank of India Act, 1955, the Banking Regulation Act and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980.

The Banking Laws (Amendment) Act, 2025 came into effect on August 1, 2025. This amendment sought to improve governance standards in the banking sector, ensure enhanced protection for depositors and investors, improve audit quality in public sector banks, and increase the tenure of directors (other than the chairperson and whole-time directors) in cooperative banks. The amendment revised the threshold of ‘substantial interest’ from ₹5 lakh to ₹2 crore. Further, director tenures in co-operative banks were increased from 8 years to 10 years (excluding the chairperson and whole-time director). Public sector banks (PSBs) are now permitted to transfer unclaimed shares, interest, and bond redemption amounts to the Investor Education and Protection Fund (IEPF), bringing them in line with practices followed by companies under the Companies Act, 2013. The amendments also empower PSBs to offer remuneration to statutory auditors, facilitating the engagement of high-quality audit professionals and enhancing audit standards. Further, rules regarding nominations in lockers were revised.

The amendments to the RBI Act redefine the term “fortnight” and omit certain sub-sections, with the objective of aligning reporting periods and ensuring consistency in reporting by banks to the RBI. These changes are intended to streamline reporting processes and enhance regulatory oversight. These changes seek to strengthen investor protection and governance standards within public sector banks.

The Banking Regulation Act is also subject to significant revisions. The bill aims to redefine “substantial interest” and enhance the threshold for shareholding of a beneficial interest by an individual. Furthermore, it addresses the tenure of directors in co-operative banks and revises reporting dates, with the goal of easing services for depositors and their nominees and aligning reporting periods. These amendments are designed to enhance depositor protection and governance standards within the banking sector.

The proposed amendments to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980 provide for the transfer of unclaimed dividends, shares, and interest to the Investor Education and Protection Fund. They also allow individuals to claim transfers or refunds from that fund. These changes aim to ensure the efficient transfer and protection of unclaimed funds, thereby enhancing investor protection and regulatory compliance.

The amendment also introduces provisions for multiple and simultaneous nominations for deposits and lockers, with specific conditions and rules for validity and succession.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code 2016 (“**IBC**”) is one of the biggest legal reforms in the economic sector and received the assent of the President and was notified in the Official Gazette on May 28, 2016. The IBC primarily consolidates the existing insolvency law, *inter alia*, relating to companies and corporate entities with the objective of providing clarity and consistency in the treatment of all the stakeholders in the insolvency process. The objective of the IBC is to promote entrepreneurship, availability of credit, and balance the interests of all stakeholders by consolidating and amending the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a timely manner and for maximization of value of assets of such persons and matters connected therewith or incidental thereto.

The IBC classifies creditors into financial creditors and operational creditors, which includes creditors in respect of financial loans for interest and loans arising from the operational nature of the debtor, respectively. The IBC proposes to appoint specialized insolvency resolution professionals to assist companies and corporate entities through the insolvency process. The IBC provides a 180-day timeline for completing a corporate insolvency resolution process (“**CIRP**”) initiated against a corporate debtor which may be extended by an additional 90 days and is required to be completed within a maximum timeline of 330 days. Currently, as per the IBC, any insolvency resolution plan prepared by insolvency professionals is required to be approved by 66% of the financial creditors and further sanction from the adjudicating authority and, if rejected, the adjudicating authority will pass an order for liquidation. The National Company Law Tribunal will be the adjudicating authority with jurisdiction over companies and limited liability entities.

The Indian Parliament on January 19, 2018, passed the Insolvency and Bankruptcy Code (Amendment) Act, 2017. The amendments aim to keep-out such persons from submitting resolution plans who have willfully defaulted, are associated with non-performing assets, or are habitually non-compliant and, therefore, are likely to be a risk to successful resolution of the insolvency of a company.

The Indian Parliament further enacted the Insolvency and Bankruptcy Code (Second Amendment) Act, 2018 which came into force from June 6, 2018. This amendment has reviewed norms pertaining to enforcement of third party security which has to be provided by the corporate debtor. Further, the voting threshold has been brought down to 66% from 75% for all major decisions such as approval of resolution plan and extension of corporate insolvency resolution process period, among. Further, in order to facilitate the corporate debtor to continue as a going concern during the corporate insolvency resolution process, the voting threshold for routine decisions has been reduced to 51%. This amendment provides relief to home buyers who are now to be treated as financial creditors and therefore will be able to decide the future of defaulting builders alongside their lenders.

The IBC aims to consolidate the laws relating to insolvency of companies and limited liability entities (including limited liability partnerships and other entities with limited liability), unlimited liability partnerships and individuals, presently contained in a number of legislations, into a single legislation. Such consolidation will provide for a greater clarity in law and facilitate the application of consistent and coherent provisions to different stakeholders affected by business failure or inability to pay debt. The vision of the new law is to encourage entrepreneurship and innovation. The IBC is a comprehensive and systemic reform, which will have a significant effect on the functioning of the credit market.

Key features of the IBC are as follows:

- Speedy process for early identification of financial distress and insolvency resolution of companies and limited liability entities when the underlying business is found to be viable.
- Two distinct processes for re-organization and insolvency resolutions of individuals, namely – “Fresh Start” and “Insolvency Resolution”.
- Debt Recovery Tribunal and National Company Law Tribunal to act as adjudicating authority and to deal with the cases related to insolvency, liquidation and bankruptcy process in respect of individuals, unlimited partnership firms and in respect of companies and limited liabilities entities respectively.
- Establishment of an Insolvency and Bankruptcy Board of India to exercise regulatory oversight over insolvency professionals, insolvency professional agencies and any person who is registered with the Board as an information utility under section 210 of the IBC (“**Information Utilities**”).
- Insolvency professionals shall handle the commercial aspects of the insolvency resolution process. Insolvency professional agencies will develop professional standards, a code of ethics and be the first level regulator for insolvency professional members leading to development of a competitive industry for such professionals.
- Information Utilities shall collect, collate, authenticate and disseminate financial information to be used in insolvency, liquidation and bankruptcy proceedings.
- Specific provisions shall be implemented to deal with cross border insolvency.

Exercising its powers under Section 4 of the IBC, the Government of India issued a notification on March 24, 2020 increasing the *de minimis* amount for filing an application to initiate CIRP of a corporate debtor from INR 1 lakh to INR 1 Crore.

Pursuant to the Insolvency and Bankruptcy Code (Amendment) Act, 2021 No. 26 of 2021, the GoI added a proviso which provides that “the Central Government may, by notification, specify such minimum amount of default of higher value, which shall not be more than one crore rupees, for matters relating to the pre-packaged insolvency resolution process of corporate debtors under Chapter III-A.”

The GoI promulgated the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2020 dated June 5, 2020 is now the Insolvency and Bankruptcy Code (Second Amendment) Act, 2020 (No. 17 of 2020)

("Second Amendment") pursuant to the Gazette of India (CG-DL-E-23092020-221917). This has inserted Section 10A in the IBC which states that notwithstanding anything contained in sections 7, 9 and 10 of the IBC Second Amendment, no application for initiation of CIRP of a corporate debtor can be filed, for any default arising on or after March 25, 2020 for a period of six months or such further period, not exceeding one year from such date, as may be notified on its behalf. The Second Amendment further states that no application can ever be filed for initiation of CIRP of a corporate debtor for the said default occurring during the said period. The GoI, pursuant to its notification dated December 22, 2020, extended the suspension of IBC proceedings for a further period of three months from December 25, 2020 (i.e., March 25, 2021). In absence of further notification on extension of moratorium on IBC proceedings, the IBC proceedings have resumed post completion of three months from the date December 25, 2020.

The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021 has now been re-enacted the Insolvency and Bankruptcy Code (Amendment) Act, 2021 (No. 26 of 2021) ("the Amendment") pursuant to the Gazette of India (CG-DL-E-12082021-228942). This Amendment introduced an alternate insolvency resolution process for MSMEs, namely the pre-packaged insolvency process ("PIRP"). The PIRP may be initiated only by the corporate debtor which is classified as an MSME under the MSME Development Act, 2006. The corporate debtor must also have a base resolution plan as per the requirements of the IBC. The management of affairs of the corporate debtor continues to vest in the Board of Directors or the partners of the corporate debtor, as the case may be. The initiation of the PIRP process must be approved by financial creditors of the corporate debtor, not being related parties, representing at least 66% in value of the financial debt due to such creditors. The resolution plan must be approved by the committee of creditors, by a vote of not less than 66% of the voting shares, after considering its feasibility and viability. A PIRP must be concluded within 120 days of commencement. In case the PIRP does not conclude within the prescribed timeline, or if the Committee of Creditors (the "CoC") does not approve any plan, an application may be filed before the NCLT for termination of the PIRP.

The CoC plays a very important role in the insolvency regime. The important decisions which affect the resolution of the insolvency of the corporate debtor are taken by the CoC. As per the IBC, the CoC consists of financial creditors only. All the creditors who have financed the corporate debtor against the consideration of time value of money are included in the CoC. The operational creditors will not find any place in the CoC except in case where the debt of the operational creditors is more than 10%, and in such case the operational creditors can participate in the CoC through a representative.

International Financial Services Centres Authority (Listing) Regulations, 2024

The regulations provide for eligibility and procedure for IPO, rights issue, listing of debt securities, CD certificate of deposit listings and listing of depositary receipts in the stock exchanges in the IFSC. An issuer shall be eligible to list its securities or any other permitted financial product on a recognised stock exchange subject to the following conditions: (a) the issuer is incorporated or set up either in an IFSC or in India or in a Foreign Jurisdiction, in accordance with the relevant laws of its home jurisdiction; (b) the issuer operates in conformity with its constitution; and (c) the issuer is eligible to issue such securities or other financial products, that are proposed to be listed on the recognised stock exchange, in conformity with the relevant laws of its home jurisdiction

The regulations prescribe disclosures to be made in offer documents. An issuer, having its specified securities listed in a jurisdiction outside IFSC, may list those specified securities on a recognised stock exchange(s), without making public offer, subject to the following conditions: (a) It shall file listing application, in the manner specified by the recognised stock exchange(s); and (b) It shall comply with the listing requirements of the recognised stock exchange(s) and such other conditions as may be specified by the Authority

An issuer may list its debt securities on a recognised stock exchange: Explanation: The debt securities proposed to be issued and listed on a recognised stock exchange may be offered on a standalone basis or through a series of issuances (including medium term note programme). The issuer desirous of listing its debt securities on a recognised stock exchange shall file the listing application along with a copy of the offer document or information memorandum, as applicable, with the recognised stock exchange in accordance with the requirements specified by the recognised stock exchange. The issuer shall file the listing application with a recognised stock exchange along with applicable regulatory fee and the same shall be remitted to the Authority in the manner specified by the Authority.

International Financial Services Centres Authority (Banking) Regulations, 2020 (as amended up to July 04, 2024)

The IFSCA Banking Regulations, 2020 (“Regulations”) is the primary legislation governing the banking and investment activities in IFSC. The Regulations cover a wide range of topics, including: (a) type of units of banks, license requirements, for setting up in IFSC; (b) capital thresholds and requirements; (c) prudential regulatory requirements and norms; (d) permissible activities (e.g. currency for conducting business in IFSC, foreign currency accounts, etc.); (e) anti-money laundering, counter-terrorist financing (“AML/CFT”) and KYC measures; (f) corporate governance – reporting/operational requirements; and (g) risk management.

The Regulations provide for the types of banks that can be set up in IFSC. The application is to be made by Parent Bank (a foreign bank) with the IFSCA in a prescribed manner, which has to satisfy the requirements provided in the Regulation, which includes minimum capital requirement, no objection from the home regulator, and undertaking from Parent Bank on providing liquidity. IFSCA may accept or reject the application within the stipulated time, subject to satisfactory written submissions from the applicant.

The Regulations require units to adhere to norms and guidelines prescribed by IFSCA, from time to time, in relation to maintaining liquidity coverage ratio, net stable funding ratio, leverage ratio; exposure ceiling and ascertaining the liabilities pertaining to reserve ratio requirements, for the Parent Bank/units (*as the case may be*). These norms are designed to ensure the stability of the banking sector in the IFSC. Further, Banks are mandated by the Regulations to comply with AML/CFT/KYC regulations and guidelines by IFSCA, to prevent banks from being used to launder money or finance terrorism or any illegal activity. The Regulations obligate banks to have a robust corporate governance structure by complying with operational requirements such as reporting, furnishing information, submitting reports in US Dollars, maintenance of books of accounts, records, and documents, and maintaining accounts (*also in INR for admin/statutory expenses*) to IFSCA. On July 04, 2024, the IFSCA issued the International Financial Services Centres Authority (Banking) (Amendment) Regulations, 2024 which expanded the scope of specified foreign currency to include Swedish Krone, Norwegian Krone, New Zealand Dollar and Danish Krone.

Notification of the IFSCA (Anti Money Laundering, Counter Terrorist Financing and Know Your Customer) Guidelines, 2022 (No.F. 110/IFSCA/Banking Regulation/2022-23/4) dated October 28, 2022 as modified on 31st October, 2025

As per this notification, IFSC Banking Units have been directed to follow the IFSCA ‘know your customer’ guidelines with immediate effect, viz. the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 dated October 28, 2022 (“IFS CA KYC Guidelines”) as published in the Official Gazette on November 1, 2022 (Ref. No. IFSCA/2022-23/GN/GL001). IFSC Banking Units have also been advised that guidelines/circulars of the domestic financial sector regulators on the issues covered by the IFSCA KYC guidelines shall cease to apply with immediate effect.

Recent Regulatory Updates – Reserve Bank of India

Statements on Developmental and Regulatory Policies (June 2024 – Oct 2025)

(A) Statement on Developmental and Regulatory Policies dated October 01, 2025

This Statement sets out various developmental and regulatory policy measures relating to (i) Regulations; (ii) Foreign Exchange Management; (iii) Consumer Protection and (iv) Financial Markets.

1. Expected Credit Loss (ECL) framework for provisioning

With a view to strengthen the resilience of the banking sector, it is proposed to issue the draft Reserve Bank (Asset Classification, Provisioning and Income Recognition) Directions, 2025 for Scheduled Commercial Banks (excluding Small Finance Banks, Payments Banks and Regional Rural Banks) and All India Financial Institutions. The draft directions inter alia, propose to replace the extant framework based on incurred loss with an Expected Credit Loss (ECL) approach, subject to a prudential floor, while retaining the existing asset classification norms. The guidelines are expected to enhance credit risk management practices, promote better comparability of reported financials across institutions. The framework is designed to be implemented in a non-disruptive manner with a suitable glide-path.

2. Consolidation of Regulatory Instructions

The evolution of regulatory framework administered by the Reserve Bank has resulted in proliferation of several circulars and directions. In order to provide ease of access and reduce the compliance cost faced by the regulated entities, the Reserve Bank has undertaken an exercise of consolidating the regulatory instructions administered by the Department of Regulation of the Reserve Bank into a set of Master Directions on an 'as is' basis. The drafts of about 250 Master Directions consolidating extant instructions on up to 30 areas for 11 types of regulated entities shall be placed on the website shortly for comments on their completeness and accuracy.

3. Foreign Currency accounts by Indian exporters- extension of time period for repatriation from accounts held in IFSC in India

In January 2025, RBI had permitted Indian exporters to open foreign currency accounts with a bank outside India for realisation of export proceeds. Funds in these accounts can be used for making import payment or have to be repatriated by the end of next month from the date of receipt of the funds. It has now been decided to extend the time period for repatriation, from one month to three months, in case of such foreign currency accounts maintained in IFSC in India. This will encourage Indian exporters to open accounts with IFSC Banking Units and also increase forex liquidity in IFSC.

4. Merchanting Trade Transactions (MTT)

Global uncertainties in trade are resulting in supply chain disruptions, making it challenging for Indian merchants to meet their contractual obligations in time. In terms of extant guidelines on MTT, outlay of foreign exchange is allowed upto four months. It has now been decided to increase the period for the forex outlay from four months to six months, in case of MTT. This relaxation is expected to help Indian merchants overcome the challenges they face in completing their business transactions efficiently while maintaining profitability.

5. Relaxation in compliance requirements for Small Value Exporters/Importers

With a view to ease compliance for exporters/importers, especially of small value goods and services, it has been decided to simplify the process of reconciliation in Export Data Processing and Monitoring System (EDPMS) and Import Data Processing and Monitoring System (IDPMS).

As per the revised guidelines, bills can be reconciled and closed by an AD bank in EDPMS or IDPMS, based on a declaration by the concerned exporter or importer, as the case may be, that the amount has been realised, for a shipping bill, or paid against a Bill of Entry, for entries (including outstanding entries) in EDPMS/IDPMS of value equivalent to INR 10 lakh per bill, or less.

The revised procedure will also enable reduction in the realisable value of bills by AD banks based on such declaration. This measure is expected to reduce compliance burden on small value exporters and importers and enhance ease of doing business.

6. Review of External Commercial Borrowing Framework

With an objective to rationalise and simplify the regulations governing External Commercial Borrowings (ECB), the Reserve Bank of India has undertaken a review of the existing provisions under the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018.

Based on the review, a revised framework that provides for expansion of eligible borrower and recognized lender base, rationalization of borrowing limits, rationalization of restrictions on average maturity period, removal of restrictions on the cost of borrowing for ECBs, review of end-use restrictions and simplification of reporting requirements, is proposed to be introduced.

7. Rationalisation of regulations for Establishment in India of a Branch Office or a Liaison Office or a Project Office or any other place of business

The extant regulations for “Establishment in India of a Branch Office or a Liaison Office or a Project Office or any other place of business” were issued by the Reserve Bank in 2016. The regulations have been comprehensively reviewed. The revised regulations are principle driven and enable delegation of more powers to AD banks and reduction of compliance burden, thereby further enhancing the ease of doing business in India.

8. Measures for strengthening the Internal Ombudsman mechanism in REs

The Reserve Bank has institutionalized the Internal Ombudsman (IO) mechanism in select Regulated Entities (REs) which enables an independent apex level review of complaints that are being rejected by the RE. To further improve upon the efficacy of this mechanism, it is proposed that the IOs be equipped with compensation powers and be allowed access to the complainant, aligning the role of IOs more closely with that of the RBI Ombudsman. Additionally, a two-tiered structure may be introduced within REs for grievance redress prior to escalation to the IO. These measures aim to provide meaningful and timely resolution of customer grievances within the REs, thereby improving service standards and consumer confidence.

9. Lending in Indian Rupees (INR) by Authorised Dealer (AD) banks to Persons Resident Outside India

In order to promote the settlement of cross border transactions in INR and local currencies, the Reserve Bank of India has been progressively liberalising regulations under FEMA. To take this initiative further, it is essential that INR liquidity is made available and accessible to residents of other countries. As a calibrated step in this direction, it has been decided that AD banks in India and their overseas branches may be permitted to lend in INR to persons resident in Bhutan, Nepal, and Sri Lanka, including a bank in these jurisdictions, to facilitate cross border trade transactions.

10. Additional Reference Rates to be published by Financial Benchmarks India Limited

Over the years, the development of forex market has facilitated the growing integration of the Indian economy with the rest of the world in terms of trade and capital flows. At present, Financial Benchmarks India Limited (FBIL) publishes reference rates for USD, EUR, GBP and JPY against INR. These rates are widely used for settlement of forex transactions including derivatives. It is now proposed to include select currencies of India’s major trading partners in the list of reference rates published by FBIL. This is expected to further deepen the onshore forex market and encourage banks to quote directly in a larger set of currency pairs, thus eliminating the need for multiple currency conversions and making trade more efficient. FBIL has been advised to publish the new reference rates in consultation with the market.

11. Expanding the bouquet of investments for Special Rupee Vostro Accounts (SRVA) holders

To promote exports from India and to support increasing interest of global trading community in INR, RBI had permitted Special Rupee Vostro Accounts (SRVA) in July 2022 to facilitate invoicing, payment, and settlement of exports/imports in INR. The arrangement permitted, inter alia, Rupee surplus balances in SRVA to be invested in government securities including treasury bills. To expand investment opportunities in India for SRVA holders, it has now been decided to permit balances of these accounts to be invested in corporate bonds and commercial papers.

(B) Statement on Developmental and Regulatory Policies dated April 09, 2025

This Statement sets out various developmental and regulatory policy measures relating to (i) Regulations; (ii) Payment Systems; and (iii) Fintech.

1. Securitisation of Stressed Assets Framework

A prudentially structured securitisation transaction can be an enabler for resolution of stressed assets as it is expected to improve risk distribution and provide an exit route from such exposures for lenders. With this objective, RBI had released a discussion paper on Securitisation of Stressed Assets Framework in January 2023, to seek comments from market participants on various aspects of the framework. After factoring in the suggestions received from the stakeholders on the discussion paper, the draft framework for securitisation of stressed assets is being issued for public comments. The framework intends to enable securitisation of stressed assets through a market-based mechanism, in addition to the existing ARC route under SARFAESI Act, 2002.

2. Framework on Co-lending arrangements (CLA)

The extant guidelines on co-lending are applicable only to arrangements between banks and NBFCs for priority sector loans. In light of the evolution of such lending practices, and the potential of such lending arrangements in catering to the credit needs of a wider segment in a sustainable manner, it has been decided to expand the scope for co-lending and issue a generic regulatory framework for all forms of co-lending arrangements among REs. The draft guidelines are being issued for public comments.

3. Review of Guidelines for Lending against Gold Jewellery

Loans against the collateral of gold jewellery and ornaments are extended by regulated entities (REs) for both consumption and income-generation purposes. Prudential and conduct related regulations for such loans have been issued from time to time and they vary for different categories of REs. With a view to harmonizing such regulations across REs while keeping in view their risk-taking capabilities, and also to address a few concerns that have been observed, it has been decided to issue comprehensive regulations, on prudential norms and conduct related aspects, for such loans.

4. Review of Non-Fund Based Facilities

Non-fund based (NFB) facilities like Guarantees, Letters of Credit, Co-Acceptances etc. play a significant role in facilitating effective credit intermediation, besides enabling seamless business transactions, including trade transactions. It has now been decided to harmonize and consolidate guidelines covering these facilities across all REs. The revised guidelines include a review of instructions on issuance of partial credit enhancement by REs, with a view to, inter alia, broadening funding sources for infrastructure financing.

5. 'On Tap' application facility under theme neutral Regulatory Sandbox

The Reserve Bank has been operating the Regulatory Sandbox (RS) framework since 2019, and four specific thematic cohorts have been announced and completed till date. An 'On Tap' application facility for themes of closed cohorts was announced in October 2021. A fifth 'Theme Neutral' cohort with a specified time window for receiving applications was also announced in October 2023, which will close in May 2025. Under this cohort, any innovative product or solution within the regulatory ambit of RBI could be tested if found eligible. Based on the experience gained and feedback received from stakeholders, it is now proposed to make the Regulatory Sandbox 'Theme Neutral' and 'On Tap'.

This initiative is expected to foster continuous innovation and keep pace with the rapidly evolving FinTech/regulatory landscape.

(C) *Statement on Developmental and Regulatory Policies dated February 07, 2025*

This Statement sets out various developmental and regulatory policy measures relating to (i) Financial Markets; (ii) Cybersecurity; and (iii) Payment Systems.

1. Introduction of forward contracts in Government securities

Over the past few years, the Reserve Bank has been expanding the suite of interest rate derivative products available to market participants to manage their interest rate risks. In addition to Interest Rate Swaps, products such as Interest Rate Options, Interest Rate Futures, Interest Rate Swaptions, Forward Rate Agreements, etc. are available to market participants. We have been receiving feedback about the need to allow forward contracts in Government securities to enable further market development. Such forward contracts will enable long-term investors such as insurance funds to manage their interest rate risk across interest rate cycles. They will also enable efficient pricing of derivatives that use bonds as underlying instruments. Draft directions in this regard were issued in December 2023.

2. Access of SEBI-registered non-bank brokers to NDS-OM

The Negotiated Dealing System – Order Matching (NDS-OM) is an electronic trading platform for secondary market transactions in government securities. Access to NDS-OM is, at present, available to regulated entities and to the clients of banks and standalone primary dealers. With a view to widening access, it has been decided that non-bank brokers registered with SEBI can directly access NDS-OM, on behalf of their clients. These brokers may access NDS-OM subject to the regulations and conditions laid down by the Reserve Bank in this regard.

3. Comprehensive review of trading and settlement timings across various market segments

Synchronized and complementary market and settlement timings across various financial market segments can facilitate benefits of efficient price discovery and optimization of the liquidity requirements. Over the last few years, there have been several developments including increased electrification of trading, availability of forex and certain interest rate derivative markets on a 24X5 basis, increased participation of non-residents in domestic financial markets and availability of payment systems on a 24X7 basis. Accordingly, it has been decided to set up a working group with representation from various stakeholders to undertake a comprehensive review of trading and settlement timing of financial markets regulated by the Reserve Bank.

4. Enhancing Trust in the Financial Sector through ‘bank.in’ and ‘fin.in’ domains

Increased instances of fraud in digital payments are a significant concern. To combat the same, the Reserve Bank of India (RBI) is introducing the ‘bank.in’ exclusive Internet Domain for Indian banks. This initiative aims to reduce cyber security threats and malicious activities like phishing; and, streamline secure financial services, thereby enhancing trust in digital banking and payment services. The Institute for Development and Research in Banking’ Technology (IDRBT) will act as the exclusive registrar. The actual registrations will commence from April 2025. Detailed guidelines for banks will be issued separately. Going forward, it is planned to have an exclusive domain viz., “fin.in” for other non-bank entities in the financial sector.

5. Enabling Additional Factor of authentication in cross-border Card Not Present transactions

Introduction of Additional Factor of Authentication (AFA) for digital payments has enhanced the safety of transactions which, in turn, provided confidence to customers to adopt digital payments. This requirement, however, is mandatory for domestic transactions only.

In order to provide a similar level of safety for online international transactions using cards issued in India, it is proposed to enable AFA for international card not present (online) transactions as well. This will provide an additional layer of security in cases where the overseas merchant is enabled for AFA. Draft circular will be issued shortly for feedback from stakeholders.

(D) Statement on Developmental and Regulatory Policies dated December 06, 2024

This Statement sets out various developmental and regulatory policy measures relating to (i) Liquidity and Financial Markets; (ii) Regulation; (iii) Communication; (iv) Financial Inclusion; (v) Payment Systems; and (vi) Fintech.

1. Expanding reach of FX-Retail Platform through linkages with Bharat Connect

With the objective of bringing greater transparency and fairness in the pricing of foreign exchange for users, especially for individuals and the Micro, Small and Medium Enterprises, the Clearing Corporation of India Limited (CCIL) launched the FX-Retail platform in 2019. Presently, the FX-Retail platform is accessible through an internet-based application. To expand the reach of FX-Retail platform and enhance user experience, it is proposed to facilitate the linking of the FX-Retail platform with Bharat Connect (earlier known as Bharat Bill Payment System) operated by the NPCI Bharat Connect. The linkage will enable users to register and transact on the FX-Retail platform through the apps of banks (mobile applications, internet banking etc.) and non-bank payment system providers, which are integrated with Bharat Connect. In the first phase, it is proposed to implement a pilot facilitating purchase of US Dollar against the Rupee by individuals and sole proprietors. Going forward, the scope will be expanded to cover other FX transactions including sale of US Dollar against the Rupee and other categories of users. Users will continue to have the option to directly access the FX-Retail platform, as hitherto, and transact under the existing mechanism. Instructions to banks on the operational aspects of the pilot will be issued separately.

2. Introduction of the Secured Overnight Rupee Rate (SORR) – a benchmark based on the secured money markets.

The Reserve Bank had set up the Committee on the MIBOR Benchmark (Chairperson: Shri Ramanathan Subramanian) to review the Rupee interest rate benchmarks in the country, especially the usage of Mumbai Interbank Outright Rate (MIBOR), and to examine the need for transition to new benchmarks. The Committee recommended several important measures to further develop the interest rate derivative market and improve the credibility of interest rate benchmarks. The Report of the Committee was published on RBI's website inviting comments from members of the public. The Reserve Bank has examined the recommendations of the Committee as well as the feedback received. In line with the recommendations and reflective of the current market dynamics, it is proposed to develop a benchmark based on the secured money markets (both basket repo and TREP) – the Secured Overnight Rupee Rate (SORR). Financial Benchmarks India Limited (FBIL) is being requested to take the proposal forward.

(E) Statement on Developmental and Regulatory Policies dated October 09, 2024

This Statement sets out various developmental and regulatory policy measures relating to (i) Regulations; and (ii) Payment Systems.

Creation of Reserve Bank Climate Risk Information System (RB-CRIS)

Climate change is emerging as one of the significant risks to the financial system. It is crucial for regulated entities to undertake climate risk assessments for ensuring stability of their balance sheets and that of the financial system. Such an assessment requires, among other things, high quality data relating to local climate scenarios, climate forecasts, and emissions. The available climate related data is characterised by various gaps such as fragmented and varied sources, differing formats, frequencies and units. To bridge these gaps, the Reserve Bank proposes to create a data repository namely, the Reserve Bank – Climate Risk Information System (RB-CRIS) comprising of two parts. The first part will be a web-based directory, listing various data sources, (meteorological, geospatial, etc.) which will be publicly accessible in the RBI website. The second part will be a data portal comprising of datasets (processed data in standardised formats). The access to this data portal will be made available only to the regulated entities in a phased manner.

Statement on Developmental and Regulatory Policies dated 9th October, 2024

Creation of Reserve Bank Climate Risk Information System (RB-CRIS)

Climate change is emerging as one of the significant risks to the financial system. It is crucial for regulated entities to undertake climate risk assessments for ensuring stability of their balance sheets and that of the financial system. Such an assessment requires, among other things, high quality data relating to local climate scenarios, climate forecasts, and emissions. The available climate related data is characterised by various gaps such as fragmented and varied sources, differing formats, frequencies and units. To bridge these gaps, the Reserve Bank proposes to create a data repository namely, the Reserve Bank – Climate Risk Information System (RB-CRIS) comprising of two parts. The first part will be a web-based directory, listing various data sources, (meteorological, geospatial, etc.) which will be publicly accessible in the RBI website. The second part will be a data portal comprising of datasets (processed data in standardised formats). The access to this data portal will be made available only to the regulated entities in a phased manner.

Statement on Developmental and Regulatory Policies dated 7th June, 2024

Rationalisation of Export and Import regulations under Foreign Exchange Management Act (FEMA), 1999

Keeping in view the progressive liberalisation under FEMA 1999 and to impart greater operational flexibility to Authorized Dealer banks, Reserve Bank has decided to rationalise existing guidelines on export and import of goods and services in line with the changing dynamics of cross-border trade transactions globally. The proposed rationalisation aims to simplifying operational procedures thereby promoting ease of doing business for all the stakeholders.

TAXATION

The information provided below does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, the information does not consider any specific facts or circumstances that may apply to a particular purchaser. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules.

Prospective purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws applicable in India, the United Kingdom and each country of which they are residents.

Indian Taxation

The following is a summary of the principal Indian tax consequences for non-resident investors of the Notes. The summary is based on taxation law and practice in force in India at the time of this Offering Circular and is subject to change, possibly with retrospective effect. This summary does not constitute legal or tax advice and is not intended to represent a complete analysis of the tax consequences under Indian laws of the acquisition, ownership or disposition of the Notes. Furthermore, it only addresses the tax consequences for persons who are non-residents as defined in the Income-tax Act, 1961 (the “**IT Act**”) who acquire the Notes pursuant to this Offering Circular. Additionally, in view of the number of different jurisdictions where local laws apply, this Offering Circular does not discuss the local tax law consequences to a potential investor arising from the acquisition, holding or disposition of the Notes.

Prospective investors should, therefore, consult their own tax advisers on the Indian tax consequences of such acquisition, ownership or disposition of the Notes and as to any tax, exchange control legislation or other laws and regulations in force relating to the subscription, holding or disposition of the Notes at their place of residence and in the countries of which they are citizens.

Taxation of persons regarded as non-resident in India

Taxation of Interest on Notes

There is currently no requirement to withhold Indian tax on interest payments made on the Notes by Issuer, if the amounts raised through the Notes are utilized outside India either (i) for the purposes of a business carried out by the Issuer outside India or (ii) for the purposes of making or earning income from any other source outside India.

If the proceeds of the Notes are used for the purposes of the business of the Issuer in India, non-resident investors will be liable to pay tax on the interest paid on the Notes. As of the date of this Offering Circular the rate of tax as per the provisions of Section 115A of the IT Act is 20% (plus applicable surcharge and health and education cess), where the Notes are issued after June 30, 2023. As per Section 194LC read with Section 115A of the IT Act, the tax rate of 9% (plus applicable surcharge and health and education cess) applies in respect of interest payable to a non-resident on a long term bond or a Rupee denominated bonds issued on or after July 1, 2023, which are listed only on a recognized stock exchange located in an International Financial Services Centre (“**IFSC**”), subject to satisfactions of the conditions mentioned therein. In case of other Rupee Denominated Notes, tax on interest may be paid at rates ranging up to 35% (plus applicable surcharge and health and education cess). The rates of tax will stand reduced if the beneficial recipient is a resident of a country with which the Government has entered into an agreement for granting relief of tax or for avoidance of double taxation (a “**Tax Treaty**”) read with Multilateral Instruments (“**MLI**”) (if and to the extent applicable) and the provisions of such Tax Treaty provide for the taxation in India of income by way of interest at a rate lower than that stated above. Any benefits under the Tax Treaty would however be subject to the non-resident investors being eligible to claim the Tax Treaty benefits, which, *inter alia*, includes holding a valid Tax Residency Certificate (“**TRC**”) for the relevant financial year, and other documents. The interest payable will be subject to withholding taxes in India, subject to conditions as detailed in the below section.

Withholding of Taxes on Interest Paid by EXIM through India

Since the interest payable on the Notes is subject to taxation in India, there is a requirement to withhold tax at the applicable rate for Notes, subject to any lower rate of tax provided by an applicable Tax Treaty. Tax would generally be withheld at the rate of 20% (plus applicable surcharge and health and education cess) on interest paid to non-resident investors or at the rate of 35% (plus applicable surcharge and health and education cess) in case of Rupee Denominated Notes. This rate may be reduced under Section 194LC of the IT Act and tax would be withheld at the applicable rate, i.e., at 9% (plus applicable surcharge and health and education cess), subject to satisfaction of conditions specified in Section 194LC of the IT Act. This rate would be subject to any lower rate of tax provided by an applicable Tax Treaty read with MLI, if and to the extent applicable. For the purpose of tax withholding, and/or claiming the benefit of Tax Treaty the non-resident investor shall be obliged to provide all necessary information and documents.

Tax may also be withheld at higher rates under Section 206AA of the IT Act, as set out below.

In respect of all the Notes (other than the Notes, if any, issued in accordance with section 194LC of the IT Act and listed exclusively on a recognized stock exchange located in an IFSC) issued to non-residents, non-resident investors are required to provide their permanent account number to the payer, failing which, tax will be deducted at a higher rate. However, where such non-resident investors do not have a permanent account number, provisions of section 206AA should not apply, provided such non-resident investors furnish documentation including a TRC, a tax identification number and other details including their name, address, email details and contact number in respect of the instruments set out in section 206AA(7) of the IT Act and Rule 37BC of the Income-tax Rules, 1962, as amended.

Interest on the Notes will be made free and clear of and without withholding or deduction on account of any present or future taxes within India unless it is required by law, in which case the Issuer will pay additional amount as may be necessary in order that the net amount received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or the deduction, subject to certain exceptions. With respect to interest on the Notes that is not subject to taxes in India (where the proceeds of the issuance of the Notes are used for the purposes of business carried on by the Issuer outside India), the Issuer may not be required to withhold tax in India.

Taxation of Deemed Income

As a measure to prevent laundering of unaccounted income, the IT Act provides that any person receiving certain specified assets (including the Notes) at a price less than their fair market value, may be subject to income tax in India on the benefit accruing to him. Tax shall be payable at the rates applicable for the regular income. However, it may be noted that this provision would not be applicable if the asset is received from a relative or under a will or by way of inheritance or any other specific instances provided under section 56(2)(x) of the IT Act.

In the instant case, in case a non-resident receives Notes under the above mechanism, the taxability of the same may also be subject to the provisions of the applicable Tax Treaty read with MLI, if and to the extent applicable, assuming the non-resident is entitled to claim benefits of the Tax Treaty.

Taxation of Gains on disposal of Rupee Denominated Notes

Capital gains if any arising pursuant to any transfer, made outside India by a non-resident to another non-resident, of a capital asset being Rupee Denominated Notes of an Indian company issued outside India are not subject to tax in India. Further, where the Rupee Denominated Notes are listed on IFSC and are transferred for a consideration payable in foreign exchange, gains derived from such transfer by the non-resident are exempt from tax in India. Any gains arising to a non-resident investor from transfer of Notes held as a capital asset will generally be chargeable to income tax in India if the Notes are transferred to an Indian resident and gains derived from their transfer are not exempt as mentioned above.

In the event capital gains arising on transfer of a capital asset are chargeable to tax in India, then, the rate of tax shall depend upon the residential status of the Noteholder as defined under the applicable provisions of Indian Law and the rates of tax prevailing at the time of transfer, in accordance with the relevant provisions of the IT Act.

However, in terms of the applicable provisions of the domestic tax law, it is possible for a Noteholder to opt either for the provisions of the domestic tax law or the provisions of the Tax Treaty as executed with a country of which the Noteholder is resident, whichever is more beneficial. The views explained above are as per the provisions of the prevailing IT Act and potential investors should, in any event, consult their own tax advisers on the tax consequences on transfer of the Notes.

If the Rupee Denominated Notes are transferred to an Indian resident upon disposition of a Note:

- (a) a non-resident investor, who has held the Notes as capital asset for a period of more than 24 months immediately preceding the date of their disposition, would be liable to pay long-term capital gains tax at the rate of 12.5% (plus applicable surcharge and health and education cess) of the capital gains in accordance with the provisions of the IT Act. In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a long-term capital asset when held for more than 12 months. These rates are subject to any beneficial provision provided for in the relevant Tax Treaty read with MLI, if and to the extent applicable, subject to fulfillment of the conditions prescribed under the relevant Tax Treaty as well as the IT Act;
- (b) a non-resident investor who has held the Notes as capital asset for 24 months or less would be liable to pay capital gains tax at rates ranging up to 35% (plus applicable surcharge and health and education cess) of the capital gains, depending on the legal status of the Non-resident Investor, and his taxable income in India; and any taxation of capital gains would also depend upon the provisions/benefits available under the relevant Tax Treaty read with MLI, if and to the extent applicable, subject to fulfillment of the conditions prescribed under the relevant Tax Treaty as well as the IT Act. In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a short term capital asset when held for 12 months or less;
- (c) in respect of a non-resident investor holding Rupee denominated Notes, the IT Act provides that any gains arising on account of appreciation of the Rupee against a foreign currency at the time of redemption of Rupee denominated Notes held by a Non-resident Investor, shall be ignored for the computation of full value of consideration. Accordingly, gains accruing to the Non-resident Investor due to appreciation of the Rupee against a foreign currency at the time of redemption of the Rupee denominated Notes held by such Non-resident Investor, shall not be taxable;
- (d) if unlisted Rupee Denominated Notes are regarded as unlisted bonds or unlisted debentures, and are transferred, redeemed or mature on or after July 23, 2024, they would be considered as short term capital assets irrespective of the period for which they were held and would be subject to capital gains tax at rates ranging up to 35% (plus applicable surcharge and health and education cess). These rates are subject to any beneficial provisions provided for in the relevant Tax Treaty read with MLI, if and to the extent applicable, subject to fulfillment of the conditions prescribed under the relevant Tax Treaty as well as the IT Act; and
- (e) any surplus realized by a Non-resident Investor from a disposition of the Notes held as stock-in-trade would be subject to income tax in India to the extent, if any, that the surplus is attributable to a “business connection in India” or, where a Tax Treaty applies, to a “permanent establishment” of the Non-resident Investor in India. A Non-resident Investor would be liable to pay Indian tax on the profits which are so attributable to such “business connection” or “permanent establishment” at a rate of tax ranging up to 35% (plus applicable surcharge and health and education cess), depending on the legal status of the Non-resident Investor and his taxable income in India.

Taxation of gains arising on disposal of USD Denominated Notes

Any gains arising to a non-resident investor from disposal of the Notes held (or deemed as held) as a capital asset will be chargeable to income tax in India if the Notes are regarded as property situated in India. A non-resident investor generally will not be chargeable to income tax in India from disposal of the Notes held as a capital asset provided that the Notes are regarded as being situated outside India. The issue as to where the Notes should properly be regarded as being situated is not free from doubt. The ultimate decision, however, will depend on the view taken by Indian tax authorities on the position with respect to the situs of the rights being offered in respect of the Notes. There is a possibility that the Indian tax authorities may treat the Notes as being situated in India as the Issuer is incorporated in and a resident in India.

If the Indian tax authorities treat the Notes as being located in India, as the Issuer is incorporated and resident in India, the following tax implication would arise upon disposal of the Notes:

- (a) Where the Notes listed on IFSC for a consideration payable in foreign exchange, capital gains derived from such transfer by the non-resident are exempt from tax in India;
- (b) When the conditions stated in clause (a) above are not met, a non-resident investor who has held the Notes for a period of more than 24 months immediately preceding the date of their disposal would be liable to pay capital gains tax at the rate of 12.5% (plus applicable surcharge and health and education cess) of the capital gains. In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a long-term capital asset when held for more than 12 months. These rates are subject to any beneficial provisions under an applicable Tax Treaty read with MLI, if and to the extent applicable, subject to fulfillment of the conditions prescribed under the relevant Tax Treaty as well as the IT Act;
- (c) When the conditions stated in clause (a) above are not met, a non-resident investor who has held the Notes for a period of 24 months or less would be liable to pay capital gains tax at rates ranging up to 35% (plus applicable surcharge and health and education cess) of capital gains depending on the legal status of the non-resident investor and his taxable income in India, subject to any beneficial provision under an applicable Tax Treaty read with MLI, if and to the extent applicable. In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a short term capital asset when held for 12 months or less;
- (d) if unlisted USD Denominated Notes are regarded as unlisted bonds or unlisted debentures, and are transferred, redeemed or mature on or after July 23, 2024, they would be considered as short term capital assets irrespective of the period for which they were held and would be subject to capital gains tax at rates ranging up to 35% (plus applicable surcharge and health and education cess). These rates are subject to any beneficial provisions provided for in the relevant Tax Treaty read with MLI, if and to the extent applicable, subject to fulfillment of the conditions prescribed under the relevant Tax Treaty as well as the IT Act; and
- (e) any gains arising to a non-resident investor from disposal of the Notes held as stock-in-trade would be subject to income tax in India to the extent, if any, that the gains are attributable to a “business connection in India” or, in the case where a Tax Treaty is applicable, to a “permanent establishment” of the non-resident investor in India. A non-resident investor would be liable to pay Indian tax on such gains at rates of tax ranging up to 35% (plus applicable surcharge and health and education cess) depending upon the legal status of the non-resident investor and his taxable income in India, subject to any beneficial provision provided for by an applicable Tax Treaty read with MLI, if and to the extent applicable.

Tax withholding on gains arising from disposal of the Notes

If a non-resident investor earns any capital gains chargeable to tax in India, the IT Act requires that such tax shall be withheld by the person making any payment to such non-resident investor at the rate of 10 or 12.5% (plus applicable surcharge and health and education cess) on long-term capital gains.

Furthermore, tax at the rate of up to 35% (plus applicable surcharge and health and education cess), shall be withheld depending on the legal status of the recipient of income, on short term capital gains. These rates are subject to any lower rate of tax provided under the relevant Tax Treaty read with MLI, if and to the extent applicable (if any). The tax payable shall be computed in such manner as prescribed in this regard under the IT Act. For the purpose of tax withholding, and/or claiming the benefit of Tax Treaty the non-resident investor shall be obliged to provide all necessary information and documents.

Tax may also be withheld at higher rates under Section 206AA of the IT as set out above.

Anti-avoidance provisions

Under the IT Act there are both specific as well as generic anti-avoidance provisions relating to tax like transfer pricing provisions and General Anti-Avoidance Rules (“GAAR”).

Under the transfer pricing provisions, any income arising from an international transaction between two related parties have to be computed having regard to the arm’s length price (“ALP”). If the Notes are transferred by a non-resident investor to another investor and such investors are related parties in accordance with the provisions of the IT Act, then the transactions would have to be at ALP and necessary compliances are required to be undertaken by the investors.

GAAR provisions have been effective from fiscal year 2017-2018. Under the GAAR, an arrangement whose main purpose is to obtain tax benefits, may be declared as an “impermissible avoidance arrangement”. According to Section 96(1) of the IT Act “impermissible avoidance arrangement” means an arrangement of which the main purpose is to obtain a tax benefit, and which, *inter alia*, creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length. Further, an arrangement is presumed, unless proved to the contrary by the taxpayer, to have been entered into, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, irrespective of the fact that the main purpose of the whole arrangement is not to obtain a tax benefit.

If GAAR provisions are invoked, it could result in significant implications for the parties to the transaction including *inter alia*, disregarding, combining or re-characterization of any step in or part or whole of the impermissible avoidance arrangement, denial of any tax benefit claimed by the taxpayer, or denial of benefit claimed by the non-resident under a Tax Treaty.

Compliance under IT Act

A Non-resident Investor is obliged to pay such income tax in an amount equal to, or would be entitled to a refund of, as the case may be, any difference between amounts withheld in respect of interest paid on the Notes and its ultimate Indian tax liability for such interest, in accordance with provisions of the IT Act. The non-resident Investors shall provide all necessary information and documents, as may be required by the Issuer.

Taxation of persons ordinarily resident in India

Any income received in respect of the Notes by a person ordinarily resident in India under the provisions of the IT Act, may generally be subject to tax in India according to the personal or corporate rate of tax, as applicable.

Stamp duty

A transfer of the Notes outside India will not give rise to any Indian stamp duty liability unless brought into India. Applicable stamp duty would be payable if the Notes are brought into India for enforcement or for any other purpose within a period of three months from the date the Notes are first received in India in accordance with the stamp duty applicable in the relevant Indian State.

Wealth Tax, Gift Tax and Inheritance tax

At present there are no taxes on wealth, gifts and inheritances which apply to the Notes held outside India.

Gift Tax

As of the date of this Offering Circular, no gift tax is payable in relation to the Notes in India. However, implications may arise under section 56(2)(x) of the IT Act.

United Kingdom Taxation

The following applies only to persons who are absolute beneficial owners of Notes and is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue and Customs' (HMRC) practice (which may or may not be binding on HMRC and which may be subject to change, sometimes with retrospective effect) relating only to the United Kingdom withholding tax treatment of payments of interest and of annual payments (as each term is understood for United Kingdom tax purposes) in respect of the Notes, in each case as at the latest practicable date before the date of this Offering Circular. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Interest on the Notes

Payment of Interest on the Notes

Payments of interest on the Notes that do not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax. If interest paid on the Notes does have a United Kingdom source, then payments may be made without deduction or withholding on account of United Kingdom income tax in any of the following circumstances.

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes carry a right to interest and the Notes are and continue to be listed on a "recognized stock exchange" (within the meaning of section 1005 of the Income Tax Act 2007 (the "Act") for the purposes of section 987 of the Act). The Issuer's understanding of current HMRC practice is that the market known as Singapore Exchange Securities Trading Limited ("SGX-ST") is a recognized stock exchange, and that securities which are admitted to trading and officially listed on the Main Board of SGX-ST may be regarded as "listed on a recognized stock exchange" for these purposes. Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognized stock exchange", interest on the Notes will be payable without deduction of or withholding on account of United Kingdom tax.

While the Notes are and continue to be admitted to trading on a multilateral trading facility operated by a regulated recognized stock exchange within the meaning of sections 987 and 1005 of the Act, payments of interest by the Issuer may be made without withholding or deduction for or on account of United Kingdom income tax. The Issuer's understanding is that the International Securities Market is currently a multilateral trading facility operated by a regulated recognized stock exchange (the London Stock Exchange) for these purposes.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, where the relevant payments of interest are treated as having a United Kingdom source, an amount must generally be withheld from payments of interest on the Notes on account of United Kingdom income tax at the basic rate (currently 20.00%), subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

An amount may also be required to be withheld from payments on the Notes that have a United Kingdom source and are not interest, but are treated as annual payments for United Kingdom tax purposes, on account of United Kingdom income tax at the basic rate.

Where Notes are to be issued at an issue price of less than 100% of their principal amount, any discount element on any such Notes would not generally be subject to United Kingdom withholding tax pursuant to the provisions mentioned above.

Where Notes are, or may fall, to be redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest for United Kingdom tax purposes. Payments of interest may be subject to United Kingdom withholding tax unless an exemption or relief applies as outlined above.

The references to “interest” above mean “interest”, and references to “annual payments” above mean “annual payments”, as such terms are understood for United Kingdom tax purposes. The statements above do not take account of any different definitions of “interest” which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation. Noteholders should seek their own professional advice as regards the withholding tax treatment of any payment on the Notes that does not constitute “interest” as such term is understood for United Kingdom tax purposes.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an issuer pursuant to Condition 16 of the Notes, Clause 20 of the Trust Deed or otherwise, and does not consider the tax consequences of any such substitution.

United States Federal Income Tax Considerations

The following is a general summary of certain U.S. federal income tax consequences that may be relevant with respect to the purchase, ownership and disposition of the Notes by a U.S. Holder (as defined below). In general, this summary deals only with purchasers of Notes that are U.S. Holders and that will hold the Notes as capital assets. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase Notes. In particular, it does not discuss special tax considerations that may apply to certain types of taxpayers, including, without limitation, the following: (i) financial institutions; (ii) insurance companies; (iii) dealers or traders in stocks, securities, notional principal contracts or currencies; (iv) tax-exempt entities; (v) real estate investment trusts; (vi) regulated investment companies; (vii) persons that will hold the Notes as part of a “hedging” or “conversion” transaction or as a position in a “straddle” or as part of a “synthetic security” or other integrated transaction for U.S. federal income tax purposes; (viii) persons that own (or are deemed to own) 10.00% or more of the shares of the Issuer by vote or value; (ix) partnerships, pass-through entities, or persons that hold Notes through partnerships or pass-through entities; (x) U.S. Holders (as defined below) that have a “functional currency” other than the U.S. dollar; (xi) persons that have ceased to be U.S. citizens or lawful permanent residents of the United States; (xii) investors holding the Notes in connection with a trade or business conducted outside of the United States; (xiii) U.S. citizens or lawful permanent residents living abroad; and (xiv) U.S. Holders that are required to take certain amounts into income no later than the time such amounts are reflected on an applicable financial statement. In addition, this summary does not address alternative minimum tax or Medicare contribution tax consequences or the indirect effects on the holders of interests in a holder of Notes. This summary also does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the U.S. federal government.

Each prospective investor should consult its own tax adviser with respect to the U.S. federal, state, local and non-U.S. tax consequences of acquiring, owning or disposing of the Notes. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), U.S. Treasury regulations and judicial and administrative interpretations thereof, in each case of the date of this Offering Circular. All of the foregoing is subject to change, and any such change may apply retroactively and could affect the tax consequences described below.

As used in this section, the term **U.S. Holder** means a beneficial owner of Notes that is for U.S. federal income tax purposes: (i) a citizen or individual resident of the United States; (ii) a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia); (iii) any estate the income of which is subject to U.S. federal income tax regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all substantial decisions of the trust.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Notes, the tax treatment of a partner generally will depend upon the status of the partner and upon the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax adviser concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This discussion applies only to U.S. Holders of Registered Notes. Bearer Notes are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Note may be subject to limitations under U.S. federal income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Code.

Characterization of the Notes

This summary should be read in conjunction with any discussion of U.S. federal income tax consequences to U.S. Holders in the applicable Pricing Supplement. To the extent there is any inconsistency in the discussion of the U.S. federal income tax consequences to U.S. Holders between this Offering Circular and the applicable Pricing Supplement, U.S. Holders should rely on the tax consequences described in the applicable Pricing Supplement instead of this Offering Circular. Any special U.S. federal income tax consequences relevant to a particular issue of Notes, including Index Linked Notes, Dual Currency Notes, Installment Notes, Hybrid Tier I Notes and Partly Paid Notes may be specified in the applicable Pricing Supplement. The balance of this discussion, unless otherwise specified, assumes that the Notes will be treated as debt and will not be treated as contingent payment debt instruments for U.S. federal income tax purposes. A prospective investor in the Notes should consult its tax adviser in determining the tax consequences of an investment in the Notes, including the application of state, local or other tax laws and the proper characterization of the Notes for U.S. federal income tax purposes.

Taxation of U.S. Holders of the Notes

Payments of Interest

Interest paid on a Note, including the payment of any additional amounts whether payable in U.S. dollars or a currency other than U.S. dollars (a “**foreign currency**”), other than interest on a “Discount Note” that is not “qualified stated interest” (each as defined below under “Original Issue Discount”), will be taxable to a U.S. Holder as ordinary interest income at the time it is received or accrued, depending on the U.S. Holder’s method of accounting for U.S. federal income tax purposes, reduced by the allocable amount of amortizable bond premium, subject to the discussion below. Interest income on the Notes, original issue discount (“**OID**”) if any, accrued with respect to the Notes (as described below under “Original Issue Discount”) and payments of additional amounts will be treated as foreign source income for U.S. federal income tax purposes, which may be relevant in calculating a U.S. Holder’s foreign tax credit limitation for U.S. federal income tax purposes. The U.S. foreign tax credit limitation is calculated separately with respect to specific classes of income. The foreign tax credit rules are complex, and U.S. Holders should consult their tax advisers regarding the availability of a foreign tax credit and the application of the limitation in their particular circumstances.

If a portion of the price paid for a Note is attributable to an amount of interest accrued prior to the date the Note is issued (the “**pre-issuance accrued interest**”), a portion of the first interest payment on the Note equal to the amount of the pre-issuance accrued interest may be treated as a nontaxable return of the pre-issuance accrued interest. This discussion assumes that the first interest payment on Note with pre-issuance accrued interest will be so treated, and references to interest in the remainder of this discussion exclude pre-issuance accrued interest.

This discussion assumes that in determining the issue price of a Note, there will be excluded an amount equal to the pre-issuance accrued interest. Pre-issuance accrued interest not included in income should not form part of any amortizable bond premium (as described below under “– *Notes Purchased at a Premium*”). A U.S. Holder’s tax basis in a Notes will be reduced by any nontaxable return of pre-issuance accrued interest. This discussion does not otherwise address the treatment of pre-issuance accrued interest, and U.S. Holders should consult their tax advisers concerning the U.S. federal income tax treatment of pre-issuance accrued interest.

Original Issue Discount

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with OID. In the event the Issuer issues contingent payment debt instruments, the applicable Pricing Supplement may describe the material U.S. federal income tax consequences thereof.

A Note, other than a Note with a term of one year or less (a “**Short-Term Note**”), will be treated as issued with OID (a “**Discount Note**”) if the excess of the Note’s “stated redemption price at maturity” over its issue price is equal to or more than a *de minimis* amount (generally 0.25% of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an “**installment obligation**”) will be treated as a Discount Note if the excess of the Note’s stated redemption price at maturity over its issue price is equal to or greater than 0.25% of the Note’s stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note’s weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made; multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note’s stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of “qualified stated interest”. A qualified stated interest payment is generally any one of a series of stated interest payments on a Note that is unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under “Variable Interest Rate Notes”), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note. If it was deemed that any call or put option would be exercised but is not in fact exercised, the Note would be treated solely for purposes of calculating OID as if it were redeemed, and a new Note were issued, on the presumed exercise date for an amount equal to the Note’s adjusted issue price on that date.

U.S. Holders of Discount Notes must generally include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note. The daily portion is determined by allocating to each day in any “accrual period” a *pro rata* portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note’s adjusted issue price at the beginning of the accrual period and the Discount Note’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The “adjusted issue price” of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period, and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Acquisition Premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being “**acquisition premium**”) and that does not make the election described below under “– *Election to Treat All Interest as Original Issue Discount*”, is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder’s adjusted basis in the Note immediately after its purchase over the Note’s adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note’s adjusted issue price.

Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realized on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the Internal Revenue Service (the "IRS").

Market Discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a "**Market Discount Note**") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25% of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an instalment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes "*de minimis* market discount". For this purpose, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognized on the sale or retirement of a Market Discount Note (including any payment on a Note that is not qualified stated interest) generally will be treated as ordinary income to the extent of the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may avoid such treatment by electing to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year for which the election is made. This election may not be revoked without the consent of the IRS.

A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently may be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note. Such interest is deductible when paid or incurred to the extent of income from the Note for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and is irrevocable.

Variable Interest Rate Notes

Notes that provide for interest at variable rates (“**Variable Interest Rate Notes**”) generally will bear interest at a “qualified floating rate” and thus will be treated as “variable rate debt instruments” under U.S. Treasury regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a “variable rate debt instrument” if (a) its issue price does not exceed the total non-contingent principal payments due under the Variable Interest Rate Note by more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A “qualified floating rate” is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note’s issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An “objective rate” is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer’s stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note’s term. A “qualified inverse floating rate” is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Note’s issue date is intended to approximate the fixed rate (for example, the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a “current value” of that rate. A “current value” of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a “variable rate debt instrument”, then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a “variable rate debt instrument” will generally not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a “true” discount (i.e., at a price below the Note’s stated principal amount) equal to or

in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Note arising from “true” discount is allocated to an accrual period using the constant-yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a “variable rate debt instrument” will be converted into an “equivalent” fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an “equivalent” fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note’s issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a “variable rate debt instrument” and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note’s issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an “equivalent” fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an “equivalent” fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the “equivalent” fixed rate debt instrument by applying the general OID rules to the “equivalent” fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the “equivalent” fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the “equivalent” fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a “variable rate debt instrument”, then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt obligations may be more fully described in the applicable Pricing Supplement.

Notes Purchased at a Premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as “amortizable bond premium”, in which case the amount required to be included in the U.S. Holder’s income each year with respect to interest on the Note will be reduced by the amount of amortizable bond premium allocable (based on the Note’s yield to maturity) to that year. Special rules may limit the amortization of bond premium with respect to Notes subject to early redemption. Any election to amortize bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also “Election to Treat All Interest as Original Issue Discount”.

Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under “Original Issue Discount”, with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortizable bond premium (described above under “– Notes Purchased at a Premium”) or acquisition premium. This election will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under “– Market Discount” to include market discount in income currently over the life of all debt instruments having market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

Sale, Exchange or Other Disposition

A U.S. Holder’s tax basis in a Note will generally equal its cost, increased by the amount of any OID or market discount included in the U.S. Holder’s income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder’s income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortizable bond premium applied to reduce interest on the Note. A U.S. Holder will generally recognize gain or loss on the sale, exchange or other disposition of a Note in an amount equal to the difference between the amount realized on the sale, exchange or other disposition and the tax basis in the Note. The amount realized does not include the amount attributable to accrued but unpaid qualified stated interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under “– Short-Term Notes” or “– Market Discount” attributable to changes in exchange rates (as discussed below), gain or loss recognized on the sale or retirement of a Note will be U.S.-source capital gain or loss and will be long-term capital gain or loss if the U.S. Holder’s holding period in the Notes exceeds one year. Prospective investors should consult their own tax advisers with respect to the treatment of capital gains (which may be taxed at lower rates than ordinary income for taxpayers who are individuals, trusts or estates that hold the Notes for more than one year) and capital losses (the deductibility of which is subject to limitations).

Foreign Currency Notes

Interest

If a qualified stated interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognized by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year). Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, the accrual basis U.S. Holder will generally recognize U.S.-source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

OID

The OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale or disposition of the Note), a U.S. Holder may recognize U.S.-source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Market Discount

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognize U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognize, upon the sale or retirement of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond Premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income (or OID) in units of the foreign currency. On the date bond premium offsets interest income (or OID), a U.S. Holder may recognize U.S.-source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Notes were acquired by the U.S. Holder.

Sale or Retirement

As discussed above under “– *Sale, Exchange or Other Disposition*”, a U.S. Holder will generally recognize capital gain or loss on the sale or retirement of a Note equal to the difference between the amount realized on the sale or retirement and its tax basis in the Note, in each case as determined in U.S. dollars. U.S. Holders should consult their own tax advisers about how to account for proceeds received on the sale or retirement of Notes that are not paid in U.S. dollars.

A U.S. Holder will recognize U.S.-source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Note (or, if less, the principal amount of the Note) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realized only to the extent of total gain or loss realized on the sale or retirement (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest).

Disposition of Foreign Currency

Foreign currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognized on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S.-source ordinary income or loss.

IRS Disclosure Reporting Requirements

Certain U.S. Treasury regulations (the “**Disclosure Regulations**”) meant to require the reporting of certain tax shelter transactions (“**Reportable Transactions**”) could be interpreted to cover transactions generally not regarded as tax shelters. Under the Disclosure Regulations, it may be possible that certain transactions with respect to the Notes may be characterized as Reportable Transactions requiring a holder of Notes to disclose such transaction, such as a sale, exchange, retirement or other taxable disposition of a Note that results in a loss that exceeds certain thresholds and other specified conditions are met. A penalty in the amount of U.S.\$10,000 in the case of a natural person and U.S.\$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Accordingly, if a U.S. Holder realizes a loss on any Note (or, possibly, aggregate losses from the Notes) satisfying the monetary thresholds discussed above, the U.S. Holder could be required to file an information return with the IRS, and failure to do so may subject the U.S. Holder to the penalties described above. In addition, the Issuer and its advisers may also be required to disclose the transaction to the IRS, and to maintain a list of U.S. Holders, and to furnish this list and certain other information to the IRS upon written request. Prospective investors in the Notes should consult their tax advisers to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Statement).

Foreign Financial Asset Reporting

Certain U.S. Holders that own “specified foreign financial assets” that meet certain U.S. dollar thresholds generally are required to file an information report with respect to such assets with their tax returns. The Notes generally will constitute specified foreign financial assets subject to these reporting requirements unless the Notes are held in an account at certain financial institutions; U.S. Holders are urged to consult their tax advisers regarding the application of these disclosure requirements to their ownership of the Notes.

Backup Withholding and Information Reporting

Backup withholding and information reporting requirements may apply to certain payments on the Notes and proceeds of the sale, exchange or other disposition of the Notes to U.S. Holders. A U.S. Holder may be subject to backup withholding if it fails to furnish (usually on IRS Form W-9) the U.S. Holder’s taxpayer identification number to certify that such U.S. Holder is not subject to backup withholding, or to otherwise comply with the applicable requirements of the backup withholding rules. Certain U.S. Holders are not subject to the backup withholding and information reporting requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder generally may be claimed as a credit against such U.S. Holder’s U.S. federal income tax liability or refund, provided that the required information is furnished to the IRS. Prospective investors in the Notes should consult their own tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes.

THE U.S. FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER’S PARTICULAR SITUATION. PROSPECTIVE INVESTORS IN THE NOTES SHOULD CONSULT THEIR OWN TAX ADVISERS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS.

U.S. Withholding Taxes on Dividend Equivalent Payments

Under Section 871(m) of the Code, and the U.S. Treasury regulations thereunder (“**Section 871(m)**”), a “dividend equivalent” payment is treated as a dividend from sources within the United States and will be subject to U.S. withholding tax at a rate of 30.00% when paid to a non-U.S. person. A “dividend equivalent” payment generally includes a payment (or deemed payment) that is contingent upon, or determined by reference to, the payment of a U.S.-source dividend under certain financial instruments. An instrument whose economic characteristics are sufficiently similar to those of an underlying or referenced security that pays U.S.-source dividends under tests provided in applicable U.S. Treasury regulations will

generally be subject to the Section 871(m) regime (such an instrument, a “**Specified Transaction**”). The tests applicable for determining whether an instrument is a Specified Transaction will depend on the terms of the relevant instrument and the date on which the instrument is priced, or issued or entered into (the applicable date to be determined in accordance with Section 871(m)), and may be subject to redetermination in connection with certain modifications of the instrument, or upon the rebalancing of a basket of reference assets or an index referenced by the instrument. Similarly, if additional securities of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of securities out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing securities are Specified Transactions as the date of such subsequent sale or issuance.

In general, Section 871(m) will not apply to certain financial instruments issued or entered into prior to January 1, 2027 if such financial instruments are not “delta one” transactions. In addition, the Section 871(m) regulations provide certain broadly applicable exceptions to characterization as Specified Transactions, in particular for certain instruments linked to certain broad-based indices. While the Issuer’s determination generally is binding on holders, it is not binding on the IRS. The IRS may successfully argue that a Note is subject to withholding under Section 871(m), notwithstanding the Issuer’s determination to the contrary. Further, it is possible that U.S. withholding tax could apply to the Notes under these rules if a holder enters, or has entered, into certain other transactions in respect of the underlying assets to which the Notes are linked (the “**Underlying**”) or the Notes. A holder that enters, or has entered, into other transactions in respect of Underlying or the Notes should consult its own tax adviser regarding the application of Section 871(m) to its Notes in the context of its other transactions.

Withholding in respect of dividend equivalents may be required on any portion of a payment or deemed payment under a Specified Transaction, including, if appropriate, the payment of the purchase price, or upon the date of maturity, lapse, disposition, settlement or other resolution to a non-U.S. person. If the underlying or referenced U.S. security or securities are expected to be treated as paying dividends during the term of the Specified Transaction, withholding generally will still be required even if the Specified Transaction does not provide for payments explicitly linked to such dividends.

In the event that any withholding would be required pursuant to Section 871(m) with respect to payments on the Notes, no person will be required to pay any additional amounts with respect to amounts so withheld. If withholding applies, the rate of any withholding may not be reduced even if the holder is otherwise eligible for a reduction under an applicable treaty, although holders that are entitled to a lower rate of withholding under a tax treaty may be able to claim a refund for any excess amounts withheld by filing a U.S. tax return. However, holders may not receive the necessary information to properly claim a refund for any withholding in excess of the applicable treaty-based amount. In addition, the IRS may not credit a holder with withholding taxes remitted in respect of its Notes for purposes of claiming a refund. Finally, a holder’s resident tax jurisdiction may not permit the holder to take a credit for U.S. withholding taxes related to the dividend equivalent amount. Prospective investors should consult their tax advisers regarding the consequences to them of the potential application of Section 871(m) to the Notes, including their ability to claim refunds or credits in respect of amounts withheld, under an applicable tax treaty with the United States (although, for the avoidance of doubt, holders will not have the ability to claim back any amounts of withholding in respect of payments received by the Issuer with respect to the Underlying).

BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream (together, the “Clearing Systems”) currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Arrangers, the Dealers, the Trustee nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The applicable pricing supplement will specify the Clearing system(s) applicable for each series.

Book-entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organized under the New York Banking Law, a member of the Federal Reserve System, a “banking organization” within the meaning of the New York Banking Law, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust and Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**” and, together with Direct Participants, “**Participants**”). More information about DTC can be found at www.dtcc.com and www.dtc.org but such information is not incorporated by reference in and does not form part of this Offering Circular.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “**DTC Rules**”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“**DTC Notes**”) as described below and receives and transmits distributions of principal and interest on DTC Notes. The DTC Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“**Owners**”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each DTC Note (“**Beneficial Owner**”) is in turn to be recorded on the Direct Participant’s and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Issuer or the relevant agent (or such other nominee as may be requested by an authorized representative of DTC), on the relevant payment date in accordance with their respective holdings shown in DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practice, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for Definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which if representing interests in a Rule 144A Global Note, will be legended as set forth under "*Subscription and Sale and Transfer and Selling Restrictions*".

A Beneficial Owner shall give notice to elect to have its DTC Notes purchased or tendered, through its Participant, to the relevant agent, and shall effect delivery of such DTC Notes by causing the Direct Participant to transfer the Participant's interest in the DTC Notes, on DTC's records, to the relevant agent. The requirement for physical delivery of DTC Notes in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the DTC Notes are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered DTC Notes to the relevant agent's DTC account.

DTC may discontinue providing its services as depositary with respect to the DTC Notes at any time by giving reasonable notice to the Issuer or the relevant agent. Under such circumstances, in the event that a successor depositary is not obtained, DTC Note certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depositary). In that event, DTC Note certificates will be printed and delivered to DTC.

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its accountholders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an accountholder of either system.

Book-entry Ownership of and Payments in respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Each Registered Global Note accepted for clearance in DTC will have a CU SIP number. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositories of Euroclear and Clearstream. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC, unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC. None of the Principal Paying Agent, the Registrar or the Issuer will have any responsibility or liability for any aspects of the records relating to or payments made on account of converting interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such ownership interests. Payment of principal, premium (if any), and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon

the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a Direct Participant or Indirect Participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under “*Transfer Restrictions*”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian (“**Custodian**”) with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream and Euroclear will generally have a settlement date three business days after the trade date (“**T+3**”), unless the parties agree to an alternative settlement date at the time of the transaction. The customary arrangements for delivery versus payment will apply to such transfers. On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in DTC will generally have a settlement one business days after the trade date (“**T+1**”), unless the parties agree to an alternative settlement date at the time of the transaction. Such transfers may occur on a free delivery basis or delivery versus payment at the election of the parties.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Registered Note resulting in such transfer and (ii) two business days after receipt by the Principal Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Trustee, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in an amended and restated program agreement dated July 7, 2022, as amended and supplemented by a supplemental program agreement dated September 7, 2023 and a supplemental program agreement dated July 17, 2024 (as amended and/or supplemented and/or restated from time to time, the “**Program Agreement**”), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed to by it. The Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future, update of the Program the issue of Notes under the Program and for certain of their affiliates in connection with the program. The Issuer has agreed to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Program Agreement entitles the Dealers to terminate any agreement that they make to subscribe for Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

The Dealers and certain of their affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. In connection with each Tranche of Notes issued under the Program, the Dealers or certain of their affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. Further, in the ordinary course of their business activities, the Dealers or their respective affiliates may make or hold (on their own account, on behalf of their clients or in their capacity as investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the account of their customers, and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of the Issuer or its affiliates at the same time as the offer and sale of each Tranche of Notes or in secondary market transactions. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or its affiliates, including Notes under the Program, and may be entered into at the same time or proximate to offers and sale of Notes or at the other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Notes. As a result of such transactions, a Dealer or its affiliates may hold long or short positions relating to the Notes. Each of the Dealer and its affiliates may also engage in investment or commercial banking and other dealings in the ordinary course of business with the Issuer or its affiliates from time to time and may receive fees and commissions for these transactions. In addition to the transactions noted above, each Dealer and its affiliates may engage in other transactions with, and perform services for, the Issuer or its affiliates in the ordinary course of business. Each Dealer or its affiliates may also purchase Notes for asset management and/or proprietary purposes but not with a view to distribution or may hold Notes on behalf of clients or in the capacity of investment advisers. While each Dealer and its affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause a Dealer or its affiliates or its clients or counterparties to have economic interests and incentives that may conflict with those of an investor in the Notes. Each Dealer may receive returns on such transactions and has no obligation to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or *vice versa*, will be required to acknowledge, represent and agree, and each person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note will be deemed to have acknowledged, represented and agreed, as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (i) that either: (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A; or (b) it is a non-U.S. person (within the meaning of Regulation S) outside the United States;

- (ii) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. state securities laws and may not be offered, sold, pledged or otherwise transferred within the United States except as set forth below;
- (iii) that, unless it holds an interest in a Regulation S Global Note and is a non-U.S. person located outside the United States, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (c) outside the United States to a non-U.S. person in compliance with Rule 903 or Rule 904 under the Securities Act, (d) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. state securities laws;
- (iv) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;
- (v) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;
- (vi) that the Notes in registered form, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OR ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES TO A NON-U.S. PERSON IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144A FOR REALES OF THE SECURITY.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON)."; and

- (vii) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make, and does make, the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Legended Notes in the United States to any one QIB will be for less than U.S.\$200,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$200,000 (or its foreign currency equivalent) principal amount of Registered Notes.

Each purchaser of Bearer Notes will be required to acknowledge, represent and agree:

- (i) that it is a non-U.S. person and it is located outside the United States (within the meaning of Regulation S);
- (ii) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. state securities laws and may not be offered, sold, pledged or otherwise transferred except as set forth below;
- (iii) that if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date that is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (a) to the Issuer or any affiliate thereof or (b) outside the United States to a non-U.S. person in compliance with Rule 903 or Rule 904 under the Securities Act;
- (iv) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (iii) above, if then applicable; and
- (v) that the Issuer and others will rely upon the trust and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer, and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make, and does make, the foregoing acknowledgements, representations and agreements on behalf of such account.

United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree, that it has offered and sold any Notes, and will offer and sell any Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified as provided below, only in accordance with Rule 903 of Regulation S under the Securities Act or Rule 144A. Accordingly, each Dealer has further represented and agreed, and each further Dealer appointed under the Program will be required to further represent and agree, that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer who has purchased Notes of a Tranche hereunder (or, in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and certify to the Principal Paying Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer has also agreed, and each further Dealer appointed under the Program will be required to agree, that at or prior to confirmation of sale of Notes (other than in respect of Notes sold pursuant to Rule 144A), it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S or Rule 144A under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in the preceding paragraph have the meanings given to them by Regulation S.

In addition, in respect of Bearer Notes where TEFRA D is specified in the applicable Pricing Supplement:

- (a) except to the extent permitted under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section in substantially the same form) (the “**D Rules**”), each Dealer has represented and each further Dealer appointed under the Program will be required to represent (i) that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (b) each Dealer has represented and each further Dealer appointed under the Program will be required to represent, that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, each Dealer has represented and each further Dealer appointed under the Program will be required to represent, that it is acquiring Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D)(6) (or any successor U.S. Treasury regulation section);
- (d) with respect to each affiliate that acquires Notes in bearer form from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in subparagraphs (a), (b) and (c) above on such affiliate’s behalf; and

- (e) each Dealer has represented that it has not and agrees that it will not enter into any written contract (other than a confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Dealers) has offered or sold, or during the restricted period will offer or sell, any Notes, except where pursuant to the contract the Dealer has obtained or will obtain from that party, for the benefit of the Issuer and the several Dealers, the representations contained in, and that party's agreement to comply with, the provisions of clauses (a), (b), (c) and (d).

In respect of Bearer Notes where TEFRA C is specified in the applicable Pricing Supplement, such Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Bearer Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree in connection with the original issuance of such Bearer Notes that it has not knowingly communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Bearer Notes.

Terms used in the paragraphs above have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and Treasury regulations thereunder, including the D Rules.

Notwithstanding anything above to the contrary, it is understood that Registered Notes may be offered and sold pursuant to a private placement in the United States, and in connection therewith each Dealer has represented, agreed and undertaken and each further Dealer appointed under the Program will be required to represent, agree and undertake, that:

- (a) offers, sales, resales and other transfers of Notes made in the United States made or approved by a Dealer (including offers, resales or other transfers made or approved by a Dealer in connection with secondary trading) shall be made with respect to Registered Notes only and shall be effected pursuant to an exemption from the registration requirements of the Securities Act;
- (b) offers, sales, resales and other transfers of Notes made in the United States will be made only in private transactions to institutional investors that are reasonably believed to qualify as qualified institutional buyers within the meaning of Rule 144A (each such institutional investor being hereinafter referred to as a QIB);
- (c) the Notes will be offered in the United States only by approaching prospective purchasers on an individual basis. No general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act will be used in connection with the offering of the Notes in the United States;
- (d) no sale of Notes in the United States to any one QIB will be for less than U.S.\$200,000 principal amount or (in each case) its equivalent rounded upwards and no Note will be issued in connection with such a sale in a smaller principal amount. If such purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$200,000 principal amount of the Notes; and
- (e) each Note sold as a part of a private placement in the United States and each Regulation S Global Note shall contain a legend in substantially the form set out on the face of such Note in the Trust Deed.

The Issuer represents and agrees that any resale or other transfer, or attempted resale or other transfer of Notes sold as part of a private placement in the United States made other than in compliance with the restrictions set out in the preceding paragraph above shall not be recognized by the Issuer or any agent of the Issuer and shall be void.

Each issue of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement. The relevant Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of Notes referred to in paragraphs (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other UK regulatory restrictions

Each Dealer has represented and agreed that:

- (a) *No deposit-taking*: in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their business, where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) by the Issuer;

- (b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) *General compliance*: it has complied, and will comply, with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Netherlands

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that any Notes will be offered in the Netherlands only to Qualified Investors (*gekwalificeerde beleggers*, as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*)).

Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of the Issuer or a member firm of Euronext Amsterdam N.V., admitted in a function on one or more markets or systems held or operated by Euronext Amsterdam N.V., in accordance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of May 21, 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Global Note; (b) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals who do not act in the conduct of a business or profession; (c) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof; or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series or Tranche are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with. As used herein, **Zero Coupon Notes** are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

India

Each Dealer has represented, agreed, and acknowledged and each further Dealer appointed under the Program will be required to represent, agree, and acknowledge that (a) this Offering Circular has not been and will not be registered, produced or published as an offer document (whether as an offering circular in respect of either a public offer or as an information memorandum or any other offering material in respect of any private placement of securities under the Companies Act, 2013, as amended from time to time, and the rules framed thereunder or any other applicable Indian securities laws) with any Registrar of Companies in India, the SEBI, the RBI, any Indian stock exchanges or any other statutory, regulatory body and adjudicatory body of a like nature in India, save and except for any information from any part of the Offering Circular which is mandatorily required to be disclosed or filed or submitted in India under any applicable India securities laws, regulations and guidelines, including but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, and under the listing agreements with any Indian stock exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, or pursuant to the directives of any statutory, regulatory and adjudicatory body in India and (b) the Notes have not been and will not be offered or sold to any person in India by means of the Offering Circular or any document other than to persons permitted to acquire the Notes under Indian law, whether as a principal or an agent, (c) this Offering Circular or any other offering document or material relating to the Notes have not been and will not be circulated or distributed, directly or indirectly, to any person or to the public in India or any member of the public in India or otherwise generally distributed or circulated in India which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities in violation of applicable Indian securities laws, (d) this Offering Circular or any material relating to the Notes has not been and will not be circulated or distributed to any prospective investor who is not a resident of an FATF or IOSCO

compliant jurisdiction and (e) the Notes will not be offered or sold or transferred and have not been offered or sold or transferred to any person who is not a resident of an FATF or IOSCO compliant jurisdiction in accordance with the ECB Guidelines.

Additional Selling Restrictions Applicable to the Issuance of Rupee denominated Notes

Each Dealer has represented and agreed that in relation to any issuance of Notes denominated in Rupees and payable in a currency other than Indian Rupees (“**Rupee Denominated Notes**”), such Rupee Denominated Notes are not being issued to any offshore branch or subsidiary of an Indian bank. Offshore branches or subsidiaries of Indian banks, subject to applicable prudential norms, may only participate as arrangers, underwriters, market makers or traders for Rupee Denominated Notes issued overseas in accordance with the ECB Guidelines. Underwriting by foreign branches/subsidiaries of Indian banks for issuances by Indian banks is not permitted under the ECB Guidelines. For the purposes of this section:

FATF Requirements pursuant to the RBI regulations means an investor who is a resident of a country that is a member of a Financial Action Task Force (“**FATF**”) or a member of a FATF style regional body; and should not be a country identified in the public statement of the FATF as: (a) a jurisdiction having a strategic anti-money laundering or combating the financing of terrorism deficiencies to which counter measures apply; or (b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the FATF to address the deficiencies.

IOSCO Requirements pursuant to the RBI regulations means an investor who is a resident of a country whose securities market regulator is a signatory to the International Organization of Securities Commission’s (**IOSCO**’s) Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the SEBI for information sharing arrangements.

Eligibility of holders of the Rupee denominated Notes

Holders and beneficial owners of the Rupee denominated Notes shall be responsible for compliance with restrictions on the ownership of the Rupee denominated Notes imposed from time to time by applicable laws or by any regulatory authority or otherwise, including but not limited to the ECB Guidelines. In this context, holders and beneficial owners of the Rupee denominated Notes shall be deemed to have acknowledged, represented and agreed that such holders and beneficial owners are eligible to purchase the Rupee denominated Notes under applicable laws and regulations and are not prohibited under any applicable law or regulation from acquiring, owning or selling the Rupee denominated Notes.

Disclosure of information relating to holders of Rupee denominated Notes

The holders and beneficial owners of Rupee denominated Notes shall be deemed to confirm that, for so long as they hold any Rupee denominated Notes, they will meet the FATF Requirements or IOSCO Requirements and the ECB Guidelines. Further, all Noteholders represent and agree that the Rupee denominated Notes will not be offered or sold on the secondary market to any person who does not meet the FATF Requirements or IOSCO Requirements and comply with the ECB Guidelines.

In relation to any issuance of Rupee denominated Notes, the holders and beneficial owners represent and agree that they will provide all information and details about themselves to the Issuer, to enable the Issuer to provide such information to the RBI or any other statutory or regulatory authority in India as and when such information is required. The holders and beneficial owners will provide all the information and details that they have or can procure about any subsequent transferee Noteholders (and shall provide all assistance in relation thereto) to the Issuer so as to enable the Issuer to obtain the details of the transferee Noteholders or any other information pertaining to such transferee Noteholders to enable the Issuer to provide such information to the RBI or any other statutory or regulatory authority in India as and when such information is required. Any transferee Noteholder will also be required to comply with all applicable laws, including but not limited to the ECB Guidelines.

To comply with applicable laws and regulations, the Issuer or its duly appointed agent may from time to time request Euroclear and Clearstream to provide them with details of the accountholders within Euroclear and Clearstream, as may be appropriate, that hold the Rupee denominated Notes and the number of Rupee denominated Notes held by each such accountholder. Euroclear and Clearstream participants which are holders of the Rupee denominated Notes or intermediaries acting on behalf of such Noteholders would be deemed to have hereby authorized Euroclear and Clearstream, as may be appropriate, to disclose such information to the Issuer or its duly appointed agent.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Program will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Japan

Each Dealer understands that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948), as amended (the “**FIEA**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, a resident of Japan (which terms as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**”), by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”)) other than: (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place “X-orders” into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information, in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any “Associations” (as used in the SFC Code);
- Whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the “**Prospectus Regulation**”); and
- (b) the expression “**an offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in paragraphs (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

Dubai International Financial Center

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered and will not offer the Notes to any person in the Dubai International Financial Center unless such offer is:

- (i) an “Exempt Offer” in accordance with the Markets Rules Module of the Dubai Financial Services Authority (the “**DFSA**”) rulebook; and
- (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

United Arab Emirates (excluding the Dubai International Financial Center)

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

General

Each Dealer has represented, warranted and undertaken and each further Dealer appointed under the Program will be required to represent, warrant and undertake that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

These selling restrictions may be modified by the agreement of the Issuer and the relevant Dealer following a change in a relevant law, regulation or directive. Any such modification will be set out in the applicable Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

None of the Issuer, the Trustee, the Arrangers and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Pricing Supplement.

GENERAL INFORMATION

Authorization

1. The establishment of the EMTN Program and the issue of Notes have been duly authorized by a resolution of the Board of Directors of the Issuer dated April 23, 2005. By its resolutions dated October 18, 2012, the Board of Directors of the Issuer authorized the increase in the size of the Program from U.S.\$2,000,000,000 to U.S.\$3,500,000,000 in respect of the Issuer acting through its Head Office in India. Further, by its resolution dated January 13, 2015, the Funds Management Committee (FMC) approved the increase in the size of the Program from U.S.\$3,500,000,000 to U.S.\$7,500,000,000, in respect of the Issuer acting through its Head Office in India. The increase in the size of the Program from U.S.\$6,000,000,000 to U.S.\$10,000,000,000 was noted by the Board of the Directors at its meeting held on January 21, 2015. The Issuer has also increased the size of the Program from U.S.\$3,500,000,000 to U.S.\$7,500,000,000 in respect of the Issuer acting through its Head Office in India which was noted by the Board of the Directors at its meeting held on January 21, 2015. In addition, by the resolutions of the Board of Directors of the Issuer dated October 18, 2012, the Issuer, acting through its London Branch, is authorized to issue Notes up to a maximum aggregate nominal amount of U.S.\$2,500,000,000. By their resolutions dated January 29, 2016, the Board of Directors of the Issuer and the resolution of the FMC dated October 20, 2015 authorized setting up of program documents under Rule 144A of the United States Securities Act of 1933, as amended, by way of conversion of the Bank's existing EMTN program into a GMTN program. Each issue of Notes will be approved by the FMC, as per powers delegated by the Board.
2. The establishment of the Program was duly authorized and approved by the RBI by its letter dated May 25, 2006. The RBI, by its letter dated August 6, 2010, approved the issue of Notes by the Issuer, acting through its Head Office, up to an amount of U.S.\$2,000,000,000 subject to compliance by the Issuer of the guidelines on external commercial borrowings issued by the RBI. The aforesaid approval required the Bank to seek a further approval of the RBI prior to issue of any Notes by the Issuer, acting through its Head Office. The RBI, by its letter dated November 7, 2012, authorized the increase in the size of the Program from U.S.\$2,000,000,000 to U.S.\$3,500,000,000 in respect of the Issuer acting through its Head Office in India. The RBI, by its letter dated June 16, 2015, has stated that since the Issuer has already been obtaining its approval at annual intervals for raising ECBs, no separate approval is required for enhancement in the size of the Program. No RBI approval is required in respect of the issue of Notes by the Issuer, acting through a foreign branch.
3. The Issuer will seek all requisite regulatory approvals for issuance of instruments, including, Senior Notes, Upper Tier II Subordinated Notes or Upper Tier I Notes which it is eligible to issue under the Program, in accordance with the provisions of the Export-Import Bank of India Act, 1981, as amended and as per the RBI Guidelines. The Issuer, acting through its Head Office, is required to comply with all relevant reporting and other statutory requirements, of the RBI and/or the Government, in this regard as the case may be.

Listing

4. Application has been made to SGX-ST for the listing and quotation of Notes that may be issued pursuant to the Program and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List. There can be no assurance that an application to the SGX-ST will be approved. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List and quotation of any Notes on the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Program or the Notes.

So long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Bank is to appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Notes representing such Notes are exchanged for definitive form. In addition, if such event occurs, an announcement of such exchange will be made through the SGX-ST and such announcement shall include all material information with respect to the delivery of the definitive Notes, including details of the paying agents in Singapore.

5. Application has been made to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange's the ISM. The ISM is not a regulated market for the purposes of UK MiFIR. The ISM is a market designated for professional investors. Notes admitted to trading on the ISM are not admitted to the Official List of the UKLA and the London Stock Exchange has not approved or verified the contents of this Offering Circular.
6. Application has been made to the Global Securities Market (GSM) of the India INX for the listing and admission of the Notes on the Global Securities Market (GSM) of the India INX. The listing of the Notes by the Issuer is in compliance with the International Financial Services Centres Authority (Issuance and Listing of Securities) Regulations, 2021, as amended from time to time.
7. The previous issuances of the Notes under the Program are listed on a 'secondary listing basis' on Afrinex, the Pan African Exchange based out of Mauritius.

Delisting of Notes

8. The Trust Deed provides that if the applicable Pricing Supplement indicates that the Notes are listed on a stock exchange (the **relevant Stock Exchange**), the Bank will use its best endeavors to maintain the listing on the relevant Stock Exchange of those of the Notes which are listed on the relevant Stock Exchange or, if it is unable to do so having used its best endeavors, it may cease to maintain such listing provided that it shall use its best endeavors promptly to obtain and maintain a quotation or listing of such Notes on such other stock exchange or exchanges or securities market or markets on which it is then accepted in the sphere of international issues of debt securities to list securities such as the Notes as it may (with the approval of the Trustee (which approval of the Trustee may only be given if the Trustee has received confirmation from the relevant Dealer(s) in respect of such Notes that such other stock exchange or exchanges or securities market or markets is so accepted and which approval shall be withheld if such confirmation is not forthcoming)) decide and shall also, upon obtaining a quotation or listing of such Notes issued by it on such other stock exchange or exchanges or securities market or markets, enter into a trust deed supplemental to the Trust Deed to effect such consequential amendments to the Trust Deed as the Trustee may require or as shall be requisite to comply with the requirements of any such stock exchange or securities market.

Clearing systems

9. Notes to be issued under the Program have been accepted for clearance through Euroclear and Clearstream. The appropriate common code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream will be specified in the applicable Pricing Supplement. In addition, the Issuer may make an application for each series of Registered Notes intended to be eligible for sale pursuant to Rule 144A of such Notes to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of Registered Notes, together with the relevant ISIN and common code, will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Pricing Supplement.
10. The issuance of the Notes, which would be eligible for electronic settlement, is in accordance with all applicable Indian laws and is duly authorized by the Issuer's constitutional documents as well as other applicable statutory and other consents.

No significant change

11. Save as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Issuer since the date of the most recently published figures for the period ended September 30, 2025 and no material adverse change in the financial position or prospects of the Issuer since the date of the most recently published accounts as of March 31, 2025.

Litigation

12. Except as stated in this Offering Circular, the Bank is not involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened) of which the Issuer is aware in the 12 months preceding the date of this Offering Circular, which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Accounts

13. The current statutory auditor of the Issuer is M K P S & Associates LLP. M K P S & Associates LLP, had audited the Issuer's non-consolidated accounts, without qualification, in accordance with the accounting policies followed by the Issuer, which conform to Generally Accepted Accounting Principles in India, for the financial year ended March 31, 2025, as stated in their report. The previous statutory auditor of the Issuer is GMJ & Co., Chartered Accountants. GMJ & Co., Chartered Accountants, Mumbai, had audited the Issuer's non-consolidated accounts, without qualification, in accordance with the accounting policies followed by the Issuer, which conform to Generally Accepted Accounting Principles in India, for the financial year ended March 31, 2024 and March 31, 2023, as stated in their report.

No Conflict of Interest

14. As of the date of this Offering Circular, there are no potential conflicts of interest between any duties owed to the Issuer by the Directors and the private interests and/or other duties owed by these individuals and there are no arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

No Material Contracts Outside the Ordinary Course of Business

15. As of the date of this Offering Circular, there are no material contracts that have been entered into outside the ordinary course of the Issuer's business, which could result in any group member being under an obligation or entitlement that would be material to the Issuer's ability to meet its obligation to the Noteholders.

Trustee's Reliance on Certificates

16. The Trust Deed provides that the Trustee may rely on certificates or reports from the Auditors (as defined in the Trust Deed) or any other person in accordance with the provisions of the Trust Deed as sufficient evidence of the facts stated therein whether or not called for by or addressed to the Trustee and whether or not any such certificate, report or engagement letter or other document entered into by the Trustee and the Auditors or such other person in connection therewith contains a monetary or other limit on the liability of the Auditors or such other person. However, the Trustee will have no recourse to the Auditors or such other person in respect of such certificates or reports unless the Auditors or such other person have agreed to address such certificates or reports to the Trustee.

Dealers transacting with the Issuer

17. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and its affiliates in the ordinary course of business.

Documents Available

18. So long as Notes are capable of being issued under the Program, copies of the following documents will, when published, be available from the corporate office of the Issuer and from the specified office of the Paying Agent in London:
 - (a) the audited financial statements of the Bank in respect of the financial years ended March 31, 2023, 2024 and 2025 and the reviewed financial statements of the Bank in respect of the six months ended September 30, 2025;

- (b) the most recently published audited annual financial statements of the Bank and the most recently published unaudited interim financial statements of the Bank (if any);
- (c) the Trust Deed, the Agency Agreement, the Operating and Administrative Procedures Memorandum, the Deed Poll and the forms of the Temporary Bearer Global Notes, the Permanent Bearer Global Notes, the Definitive Bearer Notes, the Receipts, the Coupons, the Talons and the Regulation S Global Notes, the Rule 144A Global Notes and the Definitive Registered Notes;
- (d) a copy of this Offering Circular; and
- (e) any future offering circulars, prospectuses, information memoranda and supplements, including Pricing Supplements (save that a Pricing Supplement relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND U.S. GAAP

The Financial Statements of the Issuer included in this Offering Circular have been prepared in accordance with the accounting policies followed by the Issuer which conform to Generally Accepted Accounting Principles in India as applicable to the Issuer. In the Banks' opinion, the following is a general summary of certain principal differences between Indian GAAP and U.S. GAAP as applicable to the Issuer. The differences identified below are limited to those significant differences that are appropriate to the Issuers' financial statements. However, they should not be construed as being exhaustive, and no attempt has been made to identify possible future differences between Indian GAAP and U.S. GAAP as a result of prescribed changes in accounting standards nor to identify future differences that may affect the Issuer's financial statements as a result of transactions or events that may occur in the future. The financial statements reflect applicable statutory requirements, regulatory guidelines and accounting practices in India. These requirements, guidelines and practices change from time to time and may have been applied prospectively. As a result, the financial statements of the Bank on a period-by-period basis may not be directly comparable. Also, no quantitative impact has been derived by the Bank, if any, on the basis of such differences.

Indian GAAP

Financial Statements Presentation and Disclosure

Two years' balance sheets, profit and loss account, accounting policies and notes and cash flow statements are required under Indian GAAP.

The format for presentation is as prescribed by the Export-Import Bank of India General Regulations framed under the Export-Import Bank of India Act, 1981.

Changes in accounting policies

Impact of adjustments resulting from the change to be shown in the income statement of the period in which the change is made except as specified in certain standards where the change resulting from adoption of such standards has to be shown by an adjustment to opening retained earnings.

Revaluation of property, plant and equipment

Use of historical cost or revalued amounts is permitted. Revaluation of an entire class of assets or of a selection of assets is required to be carried out on a systematic basis. An increase in net book value as a result of revaluation is taken directly to revaluation reserves while a decline is charged to the profit and loss account.

U.S. GAAP

Financial Statements Presentation and Disclosure

Companies filing U.S. GAAP financial statements with the SEC are required to present three years' statements of operations and stockholders' equity, and other comprehensive income and cash flow statements and two years' balance sheets.

An option is also available under Form 20-F to file consolidated financial statements under Indian GAAP, including reconciliation of net income and stockholders' equity under Indian GAAP to net income and stockholders' equity under U.S. GAAP.

Changes in accounting policies

Retrospective application requiring the entity to adjust each affected component of equity for the earliest period presented and comparative income statement presented, except where impracticable to do so. Transition provisions are generally specified in new standards and may be different.

Revaluation of property, plant and equipment

Upward revaluation is not permitted.