



## 3i Group plc

*(Incorporated in England and Wales under the Companies Acts 1948 to 1967 with registered number 1142830)*

as Issuer

**£2,000,000,000**

**Note Issuance Programme**

Arranger

**UBS Investment Bank**

Dealers

**Barclays Capital  
Commerzbank  
Goldman Sachs International  
J.P. Morgan Cazenove  
Nordea Bank**

**Standard Chartered Bank  
UBS Investment Bank**

**Citi  
Deutsche Bank  
HSBC  
Lloyds Bank Corporate Markets  
Société Générale Corporate &  
Investment Banking  
The Royal Bank of Scotland**

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “Risk Factors”.

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**This Offering Circular comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “Prospectus Directive”)**

*The Issuer’s long term debt obligations are rated Baa1 by Moody’s Investors Services Ltd. (“Moody’s”) and BBB+ by Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”). Its short term debt obligations are rated P-2 by Moody’s and A-2 by Standard & Poor’s. Both Standard & Poor’s and Moody’s are established in the European Union and have applied for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority. Certain Series of Notes to be issued under this Programme may be rated or unrated. Where an issue of Notes is rated, such rating will not necessarily be the same as the ratings specified above and will be specified in the relevant Final Terms.*

*3i Group plc (the “Issuer”) accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.*

*Copies of the Final Terms (as defined below) will be available from the registered office of the Issuer and the specified office set out below of the Paying Agents (as defined below).*

*This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents incorporated by reference” on page 15). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.*

*The notes (the “Notes”) issued under this £2,000,000,000 Note Issuance Programme (the “Programme”) may be issued to one or more of the Dealers specified on page 5 (each a “Dealer” and together, the “Dealers”, which expression shall include any additional Dealer appointed under the Programme from time to time which appointment may be for a specific issue or on a continuing basis). References in this Offering Circular to the “relevant Dealer” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes.*

*Application has been made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the “UK Listing Authority”) for Notes issued under the Programme during the period of 12 months from the date of this Offering Circular to be admitted to the official list of the UK Listing Authority (the “Official List”) and to the London Stock Exchange plc (the “London Stock Exchange”) for such Notes to be admitted to trading on the London Stock Exchange’s regulated market.*

*References in this Offering Circular to Notes being “listed” (and all related references) shall mean that such Notes have been admitted to trading on the London Stock Exchange’s regulated market and have been admitted to the Official List. The London Stock Exchange’s regulated market is a regulated market for the purposes of Directive 2004/39/EC (the “Markets in Financial Instruments Directive”).*

*Notice of the aggregate nominal amount of, interest (if any) payable in respect of, the issue price of, and any other terms and conditions not contained herein which are applicable to each Tranche (as defined on page 18) of Notes will be set forth in a final terms (the “applicable Final Terms”) which, with respect to Notes listed on the London Stock Exchange will be delivered to the UK Listing Authority and to the London Stock Exchange on or before the date of issue of the Notes of such Tranche.*

*The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange as may be agreed between the Issuer and the relevant Dealer in relation to each issue. The Issuer may also issue unlisted Notes.*

*The Issuer has given an undertaking to the Dealers to comply with section 87G of the Financial Services and Markets Act 2000 and the prospectus rules made by the UK Listing Authority (the “Prospectus Rules”) in that regard. In the event that a supplemental prospectus is produced pursuant to such undertaking, the Issuer shall supply to each Dealer such number of copies of the supplementary listing particulars as such Dealer may reasonably request.*

*Neither the Dealers nor The Law Debenture Trust Corporation p.l.c. (the “Trustee”) have separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers or the Trustee as to the accuracy or*

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completeness of the information contained in this Offering Circular or any other information provided by the Issuer in connection with the Notes. Neither the Dealers nor the Trustee accept any liability in relation to the information contained in this Offering Circular or any other information provided by the Issuer in connection with the Notes.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer, the Dealers or the Trustee.

Neither this Offering Circular nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Dealers or the Trustee that any recipient of this Offering Circular should purchase any of the Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of any of the Issuer, the Dealers or the Trustee to any person to subscribe for or to purchase any of the Notes.

The delivery of this Offering Circular does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme.

The distribution of this Offering Circular and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Circular or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of the Notes in the United States, the European Economic Area, the United Kingdom and Japan, (see "Subscription and sale" on page 56 below).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "Securities Act") and are subject to U.S. tax law requirements. Notes may not be offered, sold or delivered within the United States or to U.S. persons or to U.S. Residents (as defined herein) in connection with the offering of any Notes. As further provided herein, it is prohibited to use any means of United States interstate commerce (including mail, telecopy and telephone) to offer, sell or deliver any Notes after sale in connection with the offering of such Notes. A further description of certain restrictions on the offering and sale of Notes and on the distribution of this document is given under "Subscription and Sale".

Persons into whose possession offering material comes must inform themselves about and observe any such restrictions. This Offering Circular does not constitute, and may not be used for or in connection with, an offer to any person to whom it is unlawful to make such offer or a solicitation by anyone not authorised so to act.

In this Offering Circular, references to "€" or "euro" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended. References to "\$", "U.S.\$" and "U.S. dollars" are to United States dollars, references to "Yen" and "¥" are to Japanese yen and references to "Pounds sterling", "sterling" and "£" are to Pounds sterling.

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

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## Overview of the Programme and of the Terms and Conditions of the Notes

The following description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this document and, in relation to the terms and conditions of any particular Tranche of Notes, is to be read in conjunction with the applicable Final Terms. Words and expressions defined in “Terms and Conditions of the Notes” below shall have the same meanings in this overview.

**Issuer:** 3i Group plc

**Description:** Note Issuance Programme

**Arranger:** UBS Limited

**Dealers:** Barclays Bank PLC  
Citigroup Global Markets Limited  
Commerzbank Aktiengesellschaft  
Deutsche Bank AG, London Branch  
Goldman Sachs International  
HSBC Bank plc  
J.P. Morgan Securities Ltd.  
Lloyds TSB Bank plc  
Nordea Bank Danmark A/S  
Société Générale  
Standard Chartered Bank  
The Royal Bank of Scotland plc  
UBS Limited

Under the Programme Agreement, other institutions may be appointed Dealers either in relation to the Programme as a whole or in relation to specific issues of Notes.

**Trustee:** The Law Debenture Trust Corporation p.l.c.

**Agent:** Citibank, N.A., London Branch.

**Distribution:** Subject to applicable selling restrictions, Notes may be distributed by way of private or public placement and in each case on a syndicated or non- syndicated basis. The Issuer may also sell Notes to persons who are not Dealers pursuant to a separate agreement with such persons.

**Notes having a maturity of less than one year:** Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.

**Amount:** Up to £2,000,000,000 (or its equivalent in other currencies calculated as described herein) outstanding at any one time. The Issuer will have the option at any time to increase the amount of the Programme in accordance with the terms of the Programme Agreement.

**Currencies:** Notes may be denominated in any currency or currencies subject in all cases to the prior approval of the Trustee and the Agent and to compliance with all applicable laws, regulations and directives.

<b>Maturities:</b>	Any maturity greater than one month as specified in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body, however called) or any laws or regulations applicable to the relevant currency or the Issuer.
<b>Issue price:</b>	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is par or at a discount to, or premium over, par.
<b>Redenomination:</b>	The applicable Final Terms may provide that certain Notes may be redenominated in euro.
<b>Fixed Rate Notes:</b>	Interest on Fixed Rate Notes will be payable in arrear on a specified date or dates in each year (as indicated in the applicable Final Terms) and on redemption and will be calculated on the basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Dealer and as specified in the applicable Final Terms.
<b>Floating Rate Notes:</b>	<p>Floating Rate Notes will bear interest calculated:</p> <ul style="list-style-type: none"><li>(i) on the basis of the screen quotation or the arithmetic mean of the screen quotations for the Specified Currency appearing on the Relevant Screen Page, failing which the arithmetic mean of the rates quoted by named reference banks; or</li><li>(ii) on the same basis as the floating rate under a notional interest rate swap transaction in the Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series; or</li><li>(iii) by reference to the arithmetic mean of the rates quoted by named reference banks; or</li><li>(iv) on such other basis as may be agreed between the Issuer and the relevant Dealer,</li></ul> <p>(as indicated in the applicable Final Terms).</p> <p>The Margin (if any) relating to any Floating Rate Note will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p>
<b>Index Linked Notes:</b>	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as is specified in the applicable Final Terms.
<b>Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes:</b>	<p>Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both, as indicated in the applicable Final Terms.</p> <p>Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as selected prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates specified in, or determined pursuant to, the applicable Final Terms and will be calculated on the basis of such Floating Day Count Fraction as is indicated in the applicable Final Terms.</p>
<b>Dual Currency Interest Notes:</b>	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Interest Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer may agree and as are specified in the applicable Final Terms.

- Instalment Notes:** Notes may be issued which are repayable in instalments prior to maturity.
- Zero Coupon Notes:** Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
- Redemption:** The Final Terms applicable to each Tranche of Notes will indicate either that the Notes of that Series cannot be redeemed prior to their stated maturity except following an Event of Default or for taxation reasons, or that such Notes will be redeemable at the option of the Issuer (“Issuer Call”) and/or at the option of the holders(s) of such Notes (“Investor Put”) upon giving not less than 30 nor more than 60 days’ irrevocable notice (or such other period as may be specified in the applicable Final Terms) to the relevant Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be indicated in the applicable Final Terms.
- Notes having a maturity of less than one year from the date of issue are subject to restrictions on their denomination and distribution see “*Notes having a maturity of less than one year*” above.
- Denomination of Notes:** The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “*Notes having a maturity of less than one year*” above, and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).
- Taxation:** All payments in respect of the Notes made by the Issuer shall be made without withholding of or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of the United Kingdom or any political sub-division thereof or by any authority therein or thereof having power to tax, unless otherwise required by applicable law, as more fully set out in Condition 9.
- Negative pledge:** The Conditions will contain a negative pledge given by the Issuer, as more fully described in Condition 3.
- Cross default:** The Notes will have the benefit of a cross default clause in respect of indebtedness for moneys borrowed by the Issuer or any Material Subsidiary, as more fully set out in Condition 10.
- Status of the Notes:** The Notes (subject to the negative pledge) will constitute direct unsecured obligations of the Issuer ranking *pari passu* and rateably, without any preference among themselves, with all other existing and future unsecured and unsubordinated indebtedness of the Issuer, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.
- Listing:** Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange’s regulated market.

**Governing law:** The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, English law.

**Selling restrictions:** United States, European Economic Area, United Kingdom and Japan and such other restrictions as may be specified in the applicable Final Terms. See “Subscription and Sale” on page 56 below.

This Offering Circular and any supplement will only be valid for admitting Notes to the Official List in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed £2,000,000,000 or its equivalent in other currencies. For the purpose of calculating the sterling equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the sterling equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms in relation to the relevant Notes, described under “*Form of the Notes and the Final Terms*”) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of such Notes or on the preceding day on which commercial banks and foreign exchange markets are open for general business in London, in each case on the basis of the spot rate for the sale of sterling against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on the relevant day of calculation;
- (b) the sterling equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Final Terms in relation to the relevant Notes, described under “*Form of the Notes and the Final Terms*”) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes regardless of the subscription price paid); and
- (c) the sterling equivalent of Zero Coupon Notes (as specified in the applicable Final Terms in relation to the relevant Notes, described under “*Form of the Notes and the Final Terms*”) and other Notes issued at a discount or premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.



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## Risk Factors

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme**

There are a number of factors which could cause the actual financial results of the Issuer to differ, in some instances materially, from those anticipated. The factors set out below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties which face the Issuer's business.

- Changes in general economic conditions in the markets in which the Issuer operates (which includes new and emerging markets) as these can have an impact on the financial performance and value of the Issuer and the companies in which it invests, such as:
  - changes in foreign exchange rates;
  - volatility in interest rates;
  - volatility in equity markets;
  - the generally illiquid nature of the investments held by the Issuer;
  - lack of liquidity in wholesale funding markets in periods of economic or political crisis;
  - illiquidity and downward price pressure in investment markets, particularly those in which the Issuer's investee companies operate;
  - the impact of lower than expected investment returns on the burden of funding employee and former employee pensions;
  - recessions, rise in inflation and employment fluctuations; and
  - consumer perception as to the continuing availability of credit and price competition in the market segments served by the Issuer.
- Changes in governmental policy and regulation which can impose higher fiscal or regulatory costs on the Issuer or the companies in which it invests, including:
  - the monetary, interest rate and other policies of central banks and bank and other regulatory authorities, including the UK Financial Services Authority, the Bank of England, the European Central Bank and the central banks of other economies and markets where the Issuer operates;
  - taxation of capital gains or interest or dividend income;
  - expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership;

- initiatives by local, state and national regulatory agencies or legislative bodies to revise practices, pricing or responsibilities of financial institutions serving their consumer markets;
  - changes in investment and bankruptcy legislation in the principal markets in which the Issuer operates and the consequences thereof;
  - general changes in governmental policy that may significantly influence vendor, purchase and other investor decisions in particular markets in which the Issuer operates;
  - other unfavourable political or diplomatic developments producing social instability or legal uncertainty which in turn may affect the Issuer's ability to make or realise investments;
  - the costs, effects and outcomes of regulatory reviews, actions or litigation, including any additional compliance requirements; and
  - the effects of competition in the markets where the Issuer operates including increased competition resulting from new types of funds and investors including banks and financial services companies.
- Factors specific to the Issuer:
    - the unprecedented turmoil in the global capital markets, the financial services industry and the global economy as a whole has had, and may continue to have, a material adverse effect on the Issuer;
    - the use of leverage by the Issuer or the Issuer's portfolio companies exposes the Issuer to substantial risks. The Issuer and some of the Issuer's portfolio companies are exposed to fluctuations in interest rates;
    - the valuation of the Issuer's portfolio can be subject to subjectivity and may cause volatility in the Issuer's returns, the Issuer's net asset value and the price of ordinary shares. The value at which the Issuer holds investments in its accounts may never be realised, which could result in significant negative returns;
    - the Issuer operates in intensely competitive markets and various factors could have an adverse effect on the Issuer's competitive position, including changes in economic conditions;
    - the Issuer has investments in portfolio companies that it does not control, and decisions may be made by others which are unfavourable to the Issuer's interests;
    - some of the Issuer's investments are in emerging markets which may be subject to greater risk and volatility than investments in developed economies;
    - if the Issuer cannot retain and motivate its senior investment professionals and other key employees and recruit, retain and motivate new investment professionals and key employees, the Issuer could be adversely affected;
    - the Issuer has exposure to fluctuations in exchange rates which could adversely affect the Issuer's returns and financial condition;
    - changes in tax laws or policies in the UK or elsewhere, could adversely affect the Issuer;
    - changes to or breaches of applicable laws or regulations could damage the Issuer's reputation and affect the Issuer's compliance costs, business or returns;
    - the Issuer may be required to make further contributions to its pension schemes; and
    - operational risks may disrupt the Issuer's businesses, result in losses or damage the Issuer's reputation.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either the Issuer or the Group will be unable to comply with its obligations as a company with securities admitted to the Official List.

**Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

**The Notes may not be a suitable investment for all investors**

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

**Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

*Notes subject to optional redemption by the Issuer*

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*Index Linked Notes and Dual Currency Notes*

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "Relevant Factor"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;

- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

#### *Partly-paid Notes*

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

#### *Variable rate Notes with a multiplier or other leverage factor*

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

#### *Inverse Floating Rate Notes*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

#### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

#### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### *Notes where denominations involve integral multiples: definitive Notes*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

**Risks related to Notes generally**

Set out below is a brief description of certain risks relating to the Notes generally:

*Modification, waivers and substitution*

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Trust Deed or the Notes or (ii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 13 of the conditions of the Notes.

*EU Savings Directive*

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax, were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

*Change of law*

The conditions of the Notes are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular.

**Risks related to the market generally**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Offering Circular), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Such lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the assets of the Issuer. The Issuer cannot predict which of these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

*Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*Interest rate risks*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

*Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (the "CRA Regulation") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings has been set out on page 2 of the offering circular and will be disclosed in the relevant Final Terms.

**Legal investment considerations may restrict certain investments**

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

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## Documents Incorporated by Reference

The following documents which have previously been published or are published simultaneously with this Offering Circular and have been approved by the Financial Services Authority or filed with it shall be deemed to be incorporated in, and to form part of, this Offering Circular:

- the audited financial statements of 3i Group plc and its subsidiaries for the year ended 31st March, 2011, together with the audit report thereon, as set out on pages 87 to 127 of the Issuer's Report and accounts 2011;
- the audited financial statements of 3i Group plc and its subsidiaries for the year ended 31st March, 2010, together with the audit report thereon, as set out on pages 90 to 128 of the Issuer's Report and accounts 2010; and
- the Terms and Conditions of the Notes contained in previous Offering Circulars dated 16th July 2001, pages 17 to 36 (inclusive), 26th September 2006, pages 27 to 46 (inclusive), 30th August 2007, pages 26 to 44 (inclusive), 19th June 2008, pages 29 to 48 (inclusive), 7th July 2009, pages 29 to 48 (inclusive) and 22nd June 2010, pages 29 to 48 each prepared by the Issuer in connection with the Programme,

save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any document which is subsequently incorporated by reference by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of the Issuer.

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## Form of the Notes and the Final Terms

Each Tranche of Notes will initially be represented by a temporary global Note, without Receipts, Coupons or Talons, which will:

- (i) if the temporary global Note is intended to be issued in new global note (“NGN”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the “Common Safekeeper”) for Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, société anonyme (“Clearstream, Luxembourg”); and
- (ii) if the temporary global Note is not intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the relevant Tranche to a common depository (the “Common Depository”) for Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a temporary global Note, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made (against presentation of the temporary global Note if the temporary global Note is not intended to be issued in NGN form) only to the extent that (i) certification of beneficial ownership as required by U.S. Treasury regulations (in the form set out in the Trust Deed) has been received by Euroclear and/or Clearstream, Luxembourg and (ii) Euroclear and/or Clearstream, Luxembourg as applicable has given a like certification (based on the certification it has received) to the Agent. On and after the date (the “Exchange Date”) which is 40 days after the date on which any temporary global Note is issued, interests in such temporary global Note will be exchangeable (free of charge to the relevant Noteholders) in accordance with the terms of the temporary global Note, either for interests in a permanent global Note or, if so specified in the applicable Final Terms, for definitive Notes with, where applicable, Receipts, Coupons and Talons attached as indicated in the applicable Final Terms (and subject in the case of definitive Notes to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as required by U.S. Treasury regulations as specified in the temporary global Note unless certification has already been given pursuant to the second sentence of this paragraph. The holder of a temporary global Note will not be entitled to receive any payment of interest or principal due on or after the Exchange Date. Pursuant to the Agency Agreement (as defined on page 29) the Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a Common Code and an ISIN which are different from the Common Code and ISIN assigned to Notes of any other Tranche of the same Series until at least 40 days (as notified by the Agent to the relevant Dealer) after the completion of the distribution of the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Agent and the Trustee.

Payments of principal and interest (if any) on a permanent global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the permanent global Note if the permanent global Note is not intended to be issued in NGN form) without any requirement for certification. Unless otherwise specified in the Final Terms, a permanent global Note will be exchangeable (free of charge to the relevant Noteholders), in whole but not in part, for definitive Notes with, where applicable, Receipts, Coupons and Talons attached (i) upon the happening of any of the events defined in the Trust Deed (as defined below) as an “Event of Default”, (ii) if either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearance system satisfactory to the Trustee is available, or (iii) if the Issuer would suffer a disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear and/or Clearstream, Luxembourg which would not be suffered were the Notes in definitive form and a certificate to such effect is given to the Trustee. The exchange event described in (iii) above will only apply to the extent that the Issuer has or will become subject to adverse tax consequences which (A) are the result of any legislative change in the United Kingdom and (B) would not be suffered were the Notes in definitive form, and a certificate to such effect is given to the Trustee.

Global Notes and definitive Notes will be issued pursuant to the Agency Agreement.



The following legend will appear on all global Notes, definitive Notes, Receipts, Coupons and Talons:

*“Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code”.*

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

## Form of Final Terms

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

3i Group plc

Final Terms dated [●]

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the £2,000,000,000 Note Issuance Programme**

### PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated [date] which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing at the registered office of the Issuer and copies may be obtained from the registered office of the Issuer.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular dated [original date] which are incorporated by reference in the Offering Circular dated [current date] and are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”) and must be read in conjunction with the Offering Circular dated [current date] which constitutes a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular dated [current date]. Copies of such Offering Circulars are available for viewing at the registered office of the Issuer and copies may be obtained from the registered office of the Issuer.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]*

*[When adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.]*

*[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination [must/may need to] be £100,000 or its equivalent in any other currency.]*

1. [(i)] Issuer: 3i Group plc
2. [(i)] Series Number: [ ]
- [(ii)] Tranche Number: [ ]

*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]*

3. Specified Currency or Currencies: [       ]
4. Aggregate Nominal Amount:
- Series: [       ]
  - Tranche: [       ]
5. [Issue Price of Tranche: [       ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]] (*in the case of fungible issues only, if applicable*)]
6. (i) Specified Denominations: [       ]  
(*Note — where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:  
“[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”*)  
(*N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €100,000 minimum denomination is not required.*)
- (ii) Calculation Amount: [       ]  
(*If only one Specified Denomination, insert the Specified Denomination.  
If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.*)
7. (i) Issue Date: [       ]
- (ii) Interest Commencement Date (if [       ] [*specify/Issue Date/Not Applicable*]  
different from the Issue Date): (*N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.*)
8. Maturity Date: [*Fixed Rate — specify date/*  
*Floating Rate — Interest Payment Date falling in [specify month]*]
9. Interest Basis: [[       ] per cent. Fixed Rate]  
[[LIBOR/EURIBOR] +/- [       ] per cent. Floating Rate]  
[Zero Coupon]  
[Index Linked Interest]  
[Dual Currency Interest]  
[specify other]  
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]  
[Index Linked Redemption]  
[Dual Currency Redemption]  
[Partly Paid]  
[Instalment]  
[specify other]  
(further particulars specified below)  
(*N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the*

*requirements of Annex XII to the Prospectus Directive Regulation will apply.)*

11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
13. Method of distribution: [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly/other (specify)] in arrear]  
*(If payable other than annually, consider amending Condition 4)*
- (ii) Interest Payment Date(s): [ ] in each year [adjusted in accordance with [specify Business Day Convention]/not adjusted]  
*(N.B. This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form)*
- (iv) Broken Amount(s): [ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ]  
*(Applicable to Notes in definitive form)*
- (v) Fixed Day Count Fraction: [Actual/Actual — ICMA or 30/360 or specify other] *(Note that if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual — ICMA will not be a suitable Fixed Day Count Fraction)*
- (vi) Determination Date(s): [ ] in each year  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*  
*(N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration)*  
*(N.B. Only relevant where Fixed Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
15. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day

- Convention/Preceding Business Day Convention/ [*specify other*]]
- (iii) Additional Business Centre(s): [       ]
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/ Reference Bank Determination/[specify other]]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [       ]
- (vi) Screen Rate Determination:
- Reference Rate: [       ]  
(Either LIBOR, EURIBOR or other, although additional information is required if other — including the fallback provisions in the Agency Agreement)
- [— Specified Reference Banks (if any) [fall-back list]]
- Interest Determination Date(s): [       ]  
(*Second London business day prior to the start of each Interest Period if LIBOR (other than sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR*)
- Relevant Screen Page: [       ]  
(*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
- (vii) ISDA Determination:
- Floating Rate Option: [       ]
- Designated Maturity: [       ]
- Reset Date: [       ]
- (viii) Reference Bank Determination:
- Reference Rate: [       ]
- Specified Reference Banks: [       ]
- Interest Determination Date(s): [       ]
- (ix) Margin(s): [+/-] [       ] per cent. per annum
- (x) Minimum Rate of Interest: [       ] per cent. per annum
- (xi) Maximum Rate of Interest: [       ] per cent. per annum
- (xii) Floating Day Count Fraction: Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360(ISDA)  
Other  
(*See Condition 4 for alternatives*)

- (xiii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [       ]
16. Zero Coupon Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Accrual Yield: [       ] per cent. per annum
- (ii) Reference Price: [       ]
- (iii) Any other formula/basis of determining amount payable: [       ]
17. Index Linked Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*  
*(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply)*
- (i) Index/Formula: [give or annex details]
- (ii) Calculation Agent: [give name (and, if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iii) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent): [       ]
- (iv) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable; [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (v) Specified Period(s)/Specified Interest Payment Dates: [       ]
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/specify other]
- (vii) Additional Business Centre(s): [       ]
- (viii) Minimum Rate of Interest: [       ] per cent. per annum
- (ix) Maximum Rate of Interest: [       ] per cent. per annum
- (x) Day Count Fraction: [       ]
18. Dual Currency Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*  
*(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the*

*requirements of Annex XII to the Prospectus Directive Regulation will apply)*

- (i) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): [ ]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [*need to include a description of market disruption or settlement disruption events and adjustment provisions*]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [ ]

**PROVISIONS RELATING TO REDEMPTION**

- 19. Issuer Call [Applicable/Not Applicable]  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
  - (i) Optional Redemption Date(s): [ ]
  - (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount [ ]
    - (b) Higher Redemption Amount [ ]
  - (iv) Notice period (if other than as set out in the Conditions): [ ]  
*(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*
  
- 20. Investor Put [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
  - (i) Optional Redemption Date(s): [ ]
  - (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
  - (iii) Notice period (if other than as set out in the Conditions): [ ]  
*(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*

21. Final Redemption Amount [[ ] per Calculation Amount/specify other/see Appendix] (N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)
22. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(g)): [[ ] per Calculation Amount/specify other/see Appendix]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

23. (i) Form of Notes: Bearer Notes  
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in certain limited circumstances specified in the Permanent Global Note.]  
[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date].  
*(Ensure that this is consistent with the wording in the “Form of the Notes” section in the Offering Circular and the Notes themselves. N.B. The exchange upon notice at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: “€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000.” Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes)*
- (ii) New Global Note: [Yes/No]
24. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details] (Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 15(iii) and 17(vi) relates)
25. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
26. Details relating to Partly Paid Notes amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Temporary Global Note, consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details] (N.B. A new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues)
27. Details relating to Instalment Notes: [Not Applicable/give details]
- (i) Instalment Amount(s): [Not Applicable/give details]



- (ii) Instalment Date(s): [Not Applicable/give details]
28. Redenomination applicable: Redenomination [not] applicable (*if Redenomination is applicable, specify the terms of the redenomination in an Annex to the Final Terms, including the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative interest rates)*)
29. Other final terms: [Not Applicable/give details]  
(*When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.*)

**DISTRIBUTION**

30. (i) If syndicated, names of Managers: [Not Applicable/give names]  
(*If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.*)
- (ii) Date of [Subscription] Agreement: [ ]  
(*The above is only relevant if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.*)
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
31. If non-syndicated, name of relevant Dealer: Not Applicable/give names
32. U.S. Selling Restrictions: [Reg. S Compliance Category [1/2]: TEFRA D/TEFRA C/TEFRA not applicable]
33. Additional selling restrictions: [Not Applicable/give details]

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required to list the issue of Notes described herein pursuant to the £2,000,000,000 Note Issuance Programme of 3i Group plc.]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. [ ] has been extracted from [ ]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

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## PART B — OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on *[specify relevant regulated market (for example the Bourse de Luxembourg, the London Stock Exchange's regulated market or the Regulated Market of the Irish Stock Exchange) and, if relevant, listing on an official list (for example, the Official List of the UK Listing Authority)]* with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on *[specify relevant regulated market (for example the Bourse de Luxembourg, the London Stock Exchange's regulated market or the Regulated Market of the Irish Stock Exchange) and, if relevant, listing on an official list (for example, the Official List of the UK Listing Authority)]* with effect from [ ].]

[Not Applicable.]

- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Ratings:

The Notes to be issued have been rated:

[S & P: [ ]]

[Moody's: [ ]]

[[Other]: [ ]]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

[The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. However, the application for registration under Regulation (EC) No. 1060/2009 of [insert the name of the relevant EU CRA affiliate that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert credit rating agency].]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. The ratings [[have been]/[are expected to be]] endorsed by [insert the name of the relevant EU-registered credit rating agency] in accordance with Regulation (EC) No. 1060/2009. [Insert the name of the relevant EU-registered credit rating agency] is established in the European Union and registered under Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, but it is certified in accordance with such Regulation.]

**3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. — Amend as appropriate if there are other interests]

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospective Directive.)]

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

[(i) Reasons for the offer [ ]]

[(ii)] Estimated net proceeds: [ ]]

[(iii)] Estimated total expenses: [ ]].

*(Delete unless the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies in which case it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

**5. YIELD (Fixed Rate Notes only)**

Indication of yield: [ ]]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**6. PERFORMANCE OF INDEX/FORMULA AND OTHER INFORMATION CONCERNING THE UNDERLYING**

*(Index-Linked Notes only)*

*[Need to include details of where past and future performance and volatility of the index/formula can be obtained.]*

*[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained.]*

*[Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]*

*[(When completing the above paragraphs, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.)]*

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information]

*(N.B. This paragraph 6 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)*

**7. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** *(Dual Currency Notes only)*

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.)]*

*(N.B. This paragraph 7 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)*

**8. OPERATIONAL INFORMATION**

(i) ISIN Code: [ ]

(ii) Common Code: [ ]

(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of additional Paying Agent(s) (if any): [ ]

(vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes]/[No]  
[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [*include this text if “yes” selected in which case the Notes must be issued in NGN form*]

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## Terms and Conditions of the Notes

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with such Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each global Note and definitive Note.*

This Note is one of a Series (as defined below) of notes (the notes of such Series being hereinafter called the “Notes”, which expression shall mean (i) in relation to Notes represented by a Global Note, units equal to the lowest Specified Denomination in the Specified Currency, (ii) Definitive Notes issued in exchange for a Temporary or Permanent Global Note and (iii) any Global Note) constituted by a Trust Deed (as modified and/or supplemented from time to time, the “Trust Deed”) dated 15 September, 1995 made between (*inter alios*) 3i Group plc (the “Issuer”) and The Law Debenture Trust Corporation p.l.c. (the “Trustee”, which expression shall include any successor as trustee).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an amended and restated Agency Agreement (as further amended and/or supplemented from time to time, the “Agency Agreement”) dated 28 June, 2011 made between the Issuer and Citibank, N.A., London Branch, as issuing agent, principal paying agent and agent bank (the “Agent”, which expression shall include any successor as agent), the other paying agent named therein (together with the Agent, the “Paying Agents”, which expression shall include any additional or successor paying agents) and the Trustee.

Interest-bearing Definitive Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (“Coupons”) and, if indicated in the applicable Final Terms, talons for further Coupons (“Talons”) attached on issue. Any reference in these Terms and Conditions to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Notes redeemable in instalments will have instalment receipts (“Receipts”) for the payment of the instalments of principal (other than the final instalment) attached on issue.

The final terms in relation to this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached hereto or endorsed hereon and which supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References herein to the “applicable Final Terms” are to Part A of the Final Terms (or the relevant provisions thereof) attached hereto or endorsed hereon.

The Trustee acts for the benefit of the holders of the Notes (the “Noteholders”, which expression shall, in relation to any Notes represented by a Global Note, be construed as provided below), the holders of the Receipts (the “Receiptholders”) and the holders of the Coupons (the “Couponholders”, which expression shall, unless the context otherwise requires, include the holders of the Talons), all in accordance with the provisions of the Trust Deed.

As used herein, “Tranche” means Notes which are identical in all respects (including as to listing) and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/ or Issue Prices.

Copies of the Trust Deed, the Agency Agreement and each Final Terms are available for inspection during normal business hours at the registered office of the Trustee, being at 28 June, 2011 at Fifth Floor, 100 Wood Street, London EC2V 7EX and at the specified office of each Paying Agent<sup>1</sup>. Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer and copies may be obtained from the registered office of the Issuer save that, if this Note is neither admitted to trading on a regulated market in the

European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the Trustee or, as the case may be, the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms, which are binding on them.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the Trust Deed, the Trust Deed will prevail and, in the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

## **1. FORM, DENOMINATION AND TRANSFER**

The Notes are in bearer form in the Specified Currency or Currencies and the Specified Denomination(s) and, in the case of Definitive Notes, are serially numbered. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/ Payment Basis shown in the applicable Final Terms.

If it is a Definitive Note, it is issued with Coupons and, if applicable, Receipts and/or Talons attached, unless it is a Zero Coupon Note in which case references to interest (other than interest due after the Maturity Date), Coupons and Couponholders in these Terms and Conditions are not applicable.

Without prejudice to the provisions relating to Global Notes set out below, title to the Notes, the Receipts and the Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Trustee, the Agent and any other Paying Agent shall (subject as set out below) be entitled to deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not such Note, Receipt or Coupon shall be overdue and notwithstanding any notice to the contrary or any notation of ownership or writing thereon or notice of any previous loss or theft thereof) for the purpose of making payment thereon and for all other purposes. For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. ("Euroclear") and/or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee, the Agent and any other Paying Agent as the holder of such nominal amount of such Notes (and the holder of the relevant Global Note shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal and interest on such Notes, the right to which shall be vested, as against the Issuer, solely in the bearer of the Global Note in accordance with and subject to its terms, or in the Trustee in accordance with the Trust Deed (and the expressions "Noteholder", "holder of Notes" and related expressions shall be construed accordingly). Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, as the case may be.

Any references herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Agent and the Trustee.

## 2. STATUS OF THE NOTES

The Notes and the relative Receipts and Coupons (subject to the provisions of Condition 4) constitute direct unsecured obligations of the Issuer ranking *pari passu* and rateably, without any preference among themselves, with all other existing and future unsecured and unsubordinated indebtedness of the Issuer but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

## 3. NEGATIVE PLEDGE

So long as any Note remains outstanding (as defined in the Trust Deed) the Issuer shall not and shall procure that no Subsidiary (as defined in the Trust Deed) shall create or permit to subsist any mortgage, lien, pledge or other charge ("Security") upon any part of their respective undertakings or assets, present or future, (including uncalled capital) as security for any Obligation (as defined below) and the Issuer shall not permit any Material Subsidiary (as defined in Condition 11) to give any guarantee of or indemnity in respect of any Obligation without in each case at the same time according to the Noteholders a *pari passu* and rateable interest in the same security and/or guarantee and/or indemnity or such other security and/or guarantee and/or indemnity or other arrangement (whether or not including the granting of security and/or a guarantee and/or an indemnity) as the Trustee shall in its absolute discretion deem not materially less beneficial to the Noteholders or as shall have been approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders provided that any Subsidiary acquired after 15th September, 1995 may have outstanding Security with respect to an Obligation of such Subsidiary (without the obligation to secure the Notes as aforesaid) so long as:

- (i) either such Security was outstanding on the date on which such Subsidiary became a Subsidiary and was not created in contemplation of such Subsidiary becoming a Subsidiary or such Security was created in substitution for or to replace either such outstanding Security or any such substituted or replacement Security; and
- (ii) the principal amount of the Obligation secured is not increased after the date such Subsidiary became a Subsidiary.

For the purpose of this Condition, "Obligation" means:

- (A) any present or future indebtedness of the Issuer or a Subsidiary having a stated maturity of not less than one year and represented by bonds, notes, debentures, debenture stock, loan stock or other securities which for the time being are, or are intended to be, dealt in on a stock exchange or other securities market and which either (a) is denominated or contains a right or requirement for any payment in respect thereof to be made in any currency other than Pounds sterling, or (b) is initially offered or distributed, directly or indirectly, primarily to persons resident outside the United Kingdom; and
- (B) any guarantee of any such indebtedness as is referred to in (A) above.

## 4. INTEREST

### (a) Interest on Fixed Rate Notes

- (i) Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.
- (ii) If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount(s) so specified.

As used in these Terms and Conditions, "Fixed Interest Period" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount, is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Fixed Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“Fixed Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

“Determination Period” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“sub-unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.



**(b) Interest on Floating Rate Notes and Index Linked Interest Notes**

**(i) Interest Payment Dates**

Each Floating Rate Note and Index Linked Interest Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, “Business Day” means a day which is both:

- (I) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre specified in the applicable Final Terms; and
- (II) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open. In these Terms and Conditions, “TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System.

**(ii) Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Final Terms.

**(A) Screen Rate Determination for Floating Rate Notes**

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

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fourth decimal place, 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR (as defined below), or Brussels time, in the case of EURIBOR (as defined below)) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

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

**(B) ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

For the purpose of this sub-paragraph (B), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as amended and updated as at the Issue Date of the first Tranche of the Notes and as published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is the period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“LIBOR”) or on the Euro-zone inter-bank offered rate (“EURIBOR”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purpose of this sub-paragraph (B), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

When this sub-paragraph (B) applies, in respect of each relevant Interest Period the Agent will be deemed to have discharged its obligations under Condition 4(b)(iv) below in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this sub-paragraph (B).

**(C) Reference Bank Determination for Floating Rate Notes**

Where Reference Bank Determination for Floating Rate Notes is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Agent shall request, if the Reference Rate is LIBOR, the principal London office and, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Specified Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the period specified in the Reference Rate to leading banks in the London inter-bank market, if the Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the Reference Rate is EURIBOR, as at

11.00 a.m. (London time in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question. If two or more of the Specified Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fourth decimal place, 0.00005 being rounded upwards) of such offered quotations plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date, where applicable, one only or none of the Specified Reference Banks provides the Agent with such an offered quotation, the Agent shall forthwith consult with the Issuer and the Trustee for the purpose of agreeing two banks (or, where one only of the Specified Reference Banks provides such a quotation, a bank) (which bank or banks is or are in the opinion of the Trustee suitable for such purpose) to provide such a quotation or quotations to the Agent and the Rate of Interest for the relevant Interest Period shall be determined in accordance with the provisions set out above on the basis of the offered quotations of such banks as so agreed (or, as the case may be, the offered quotations of such bank as so agreed and the Specified Reference Bank) (but without exclusion as aforesaid). If no such bank or banks is or are so agreed, or such bank or banks as is or are so agreed does not or do not provide such a quotation or quotations, then the applicable Rate of Interest for the relevant Interest Period shall be the Rate of Interest determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

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

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

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

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

The Agent, in the case of Floating Rate Notes, or the Calculation Agent, in the case of Index Linked Interest Notes, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such amount by the applicable Floating Day Count Fraction, (or Day Count Fraction in the case of Index Linked Interest Notes) and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“Floating Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:

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

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

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

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

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

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

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

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

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and D<sub>2</sub> will be 30.

**(v) Determination or calculation by Trustee**

If for any reason at any time after the Issue Date the Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest in accordance with sub-paragraph (ii) or the Agent defaults in its obligation to calculate any Interest Amount in accordance with sub-paragraph (iv) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and

reasonable in all circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent or the Calculation Agent, as applicable.

**(vi) Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent or the Calculation Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent, the Trustee, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to such provisions.

**(c) Dual Currency Interest Notes**

In the case of Dual Currency Interest Notes, where the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest shall be determined in the manner specified in the applicable Final Terms.

**(d) Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

**(e) Interest accrual**

Each Note (or, in the case of redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused in which event interest will continue to accrue as provided in the Trust Deed.

**5. REDEMPTION AND PURCHASE**

**(a) Final redemption**

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

**(b) Redemption for taxation reasons**

If the Issuer satisfies the Trustee immediately before the giving of the notice referred to below that as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision of, or any authority in, or of, the United Kingdom having power to tax, or any change in the application or official or generally accepted interpretation of such laws or regulations, which change or amendment becomes effective after the date on which agreement is reached to issue the first Tranche of the Notes, on the occasion of the next payment due in respect of the Notes either the Issuer would be required to pay additional amounts as provided or referred to in Condition 9 the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Trustee, the Agent and the Noteholders in accordance with Condition 17 (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note) or on the next Interest Payment Date (if this Note is a Floating Rate Note or an Index Linked Interest Note) at their Early Redemption Amount referred to in paragraph (g) below together, if applicable, with interest accrued to (but excluding) the date of redemption, provided that no notice of redemption shall be given earlier than 90 days before the earliest date on which the Issuer would be required to pay the additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that the requirement referred to above will apply on the occasion of the next payment due in respect of the Notes and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the

conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, Receipholders and Couponholders.

**(c) Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given (unless otherwise specified in the applicable Final Terms) not less than 30 nor more than 60 days' notice to the Trustee, the Agent and, in accordance with Condition 17, the Noteholders (which notice shall be irrevocable), redeem all or some only (as specified in the applicable Final Terms) of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) as specified in, or determined in the manner specified in, the applicable Final Terms, together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. Upon expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly. In the event of a redemption of some only of the Notes, such redemption must be for an amount not less than the Minimum Redemption Amount or not higher than the Higher Redemption Amount. In the case of a partial redemption of Notes, the Notes to be redeemed ("Redeemed Notes") will be selected individually by lot, in the case of Redeemed Notes represented by Definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), in the case of Redeemed Notes represented by a Global Note, not more than 60 days prior to the date fixed for redemption (such date of selection being hereinafter called the "Selection Date"). In the case of Redeemed Notes represented by Definitive Notes, a list of such Redeemed Notes will be published in accordance with Condition 17 not less than 30 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 17 at least 30 days prior to the Selection Date.

**(d) Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified in the applicable Final Terms, upon the holder of this Note (unless otherwise specified in the applicable Final Terms) giving to the Issuer, in accordance with Condition 17, not less than 30 nor more than 60 days' notice (which notice shall be irrevocable), the Issuer shall, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on any Optional Redemption Date and at the relevant Optional Redemption Amount(s) as specified in, or determined in the manner specified in, the applicable Final Terms, together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

If this Note is in definitive form, to exercise the right to require redemption of this Note the holder of this Note must deliver this Note, on any Business Day (as defined in Condition 4(b)(i)) falling within the notice period, to the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "Put Notice") and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition.

**(e) Purchases**

The Issuer or any Subsidiary may at any time purchase Notes (provided that, in the case of Definitive Notes, all unmatured Receipts and Coupons appertaining thereto are surrendered therewith) in any manner and at any price. If purchases are made by tender, tenders must be available to all Noteholders alike.

**(f) Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraphs (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g)(iii) below as though the references therein to the date fixed for redemption or the date upon which such Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and

- (ii) the day after the date on which the full amount of moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders either in accordance with Condition 17 or individually.

**(g) Early Redemption Amounts**

For the purposes of paragraph (b) above and Condition 10, the Notes will be redeemed at an amount (the “Early Redemption Amount”) determined or calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes but including Instalment Notes and Partly Paid Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount set out in, or determined in the manner set out in, the applicable Final Terms, or, if no such amount or manner is so set out, at their nominal amount; or
- (iii) in the case of Zero Coupon Notes, at an amount (the “Amortised Face Amount”) calculated in accordance with the following formula:

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

where:

“RP” means the Reference Price;

“AY” means the Accrual Yield expressed as a decimal; and

“y” is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms.

**(h) Instalments**

Instalment Notes will be repaid in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (g) above. In the case of Definitive Notes, all instalments (other than the final instalment) will be paid against surrender of the relevant Receipt (which must be presented with the Definitive Note to which it appertains) and in the case of the final instalment against surrender of the relevant Definitive Note, all as more fully described in Condition 6.

**(i) Cancellation**

All Notes which are redeemed in full will forthwith be cancelled (together with, in the case of Definitive Notes, all unmatured Receipts and Coupons presented therewith) and accordingly may not be re-issued or resold. Notes purchased by the Issuer or any Subsidiary may be held, resold or cancelled.

**6. PAYMENTS**

**(a) Method of payment**

Subject as provided below:

- (i) payments in a currency other than euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the holder, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency



(which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland respectively); and

- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10.

**(b) Presentation of Notes, Receipts and Coupons**

Subject as provided below, payments in respect of principal and interest (if any) in respect of Definitive Notes (if issued) will be made only against surrender (or, in the case of part payment only, endorsement) of the Definitive Notes or, as the case may be, Coupons, in each case, at any specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)). Payments of instalments (if any) of principal, other than the final instalment, will (subject as provided below) be made against presentation and surrender of the relevant Receipt. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Note to which it appertains. If any Definitive Note is redeemed or becomes repayable prior to the stated maturity thereof, principal will be payable only on surrender of such Note together with all unmatured Receipts appertaining thereto. Receipts presented without the Definitive Note to which they appertain and unmatured Receipts do not constitute valid obligations of the Issuer.

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Notes and otherwise in the manner specified in the relevant Global Note only against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made on such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by such Paying Agent and such records shall be prima facie evidence that the payment in question has been made.

The holder of the relevant Global Note (or, as provided in the Trust Deed, the Trustee) shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note (or the Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or to the order of, the holder of the relevant Global Note (or the Trustee, as the case may be). No person other than the holder of the relevant Global Note (or, as provided in the Trust Deed, the Trustee) shall have any claim against the Issuer in respect of any payments due on that Global Note.

Notwithstanding the foregoing, payments of interest in U.S. dollars will be made at the specified office of any Paying Agent in the United States (1) if (a) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of interest on the Notes in the manner provided above when due, (b) payment of the full amount of such interest at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (c) such payment is then permitted under United States law and/or (2) at the option of the relevant holder if the payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences for the Issuer.

Fixed Rate Notes in definitive form (other than Dual Currency Notes or Index Linked Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall include Coupons falling to be issued on exchange of matured Talons), failing which an amount equal to the face value of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupons as the sum so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount of principal so deducted will be paid

in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of ten years after the relevant date (as defined in Condition 9) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11) or, if later, five years from the date on which such Coupon would otherwise have become due.

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

Upon the due date for redemption of any Floating Rate Note, Dual Currency Note or Index Linked Note in definitive form, all unmatured Coupons and Talons (if any) relating to such Note (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any interest-bearing Note in definitive form is not a due date for the payment of interest relating thereto, interest accrued in respect of such interest-bearing Note from (and including) the last preceding due date for the payment of interest (or from (and including) the Interest Commencement Date, as the case may be) will be paid only against surrender of such interest-bearing Note.

**(c) Payment Day**

If any date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day (as defined below), then the holder thereof shall not be entitled to payment of the relevant amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay. In this Condition (unless otherwise specified in the applicable Final Terms), "Payment Day" means any day which (subject to Condition 12) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) in the case of Notes in definitive form only, the relevant place of presentation; and
  - (B) each Additional Financial Centre specified in the applicable Final Terms.

**(d) Interpretation of principal and interest**

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 9 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Accrued Face Amount;
- (vii) any premium and any other amounts (other than interest) which may be payable under or in respect of the Notes; and
- (viii) in relation to Dual Currency Notes, the principal payable in any relevant Specified Currency.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## **7. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 11. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

## **8. AGENT AND PAYING AGENTS**

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below. In the event of the appointed office of the Agent being unable or unwilling to continue to act as the Agent, or failing duly to determine the Rate of Interest (if applicable) or to calculate the Interest Amounts for any Interest Period, the Issuer shall appoint the London office of such other bank as may be approved by the Trustee to act as such in its place as Agent. The Agent may not resign its duties or be removed from office without a successor having been appointed as aforesaid. The Issuer may, with the prior approval of the Trustee, vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts provided that the Issuer will, so long as any of the Notes is outstanding, maintain a Paying Agent (which may be the Agent) having a specified office in a city approved by the Trustee in continental Europe other than the jurisdiction in which the Issuer is incorporated and, so long as any of the Notes are listed on or admitted to any stock exchange, a Paying Agent (which may be the Agent) having a specified office in each location required by the rules and regulations of the relevant stock exchange or other relevant authority or authorities.

The Issuer will ensure that it maintains at all times a Paying Agent in an EU Member State that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the fourth paragraph of Condition 6(b). Notice of any such variation, termination, appointment or change will be given by the Issuer to the Noteholders in accordance with Condition 17.

## **9. TAXATION**

All payments of principal and interest (if any) in respect of the Notes, Receipts and Coupons will be made without withholding of or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of the United Kingdom or any political sub-division thereof or by any authority therein or thereof having power to tax, unless the Issuer is compelled by law to withhold or deduct any such taxes, duties, assessments or governmental charges. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by the Noteholders, Receiptholders and Couponholders, as the case may be, after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Notes and/or Receipts and/or Coupons, as the case may be, in the absence of such withholding or deduction, except that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (i) presented for payment in the United Kingdom; or
- (ii) the holder of which is liable for such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the United Kingdom otherwise than by reason only of his holding such Note, Receipt or Coupon; or
- (iii) presented for payment by or on behalf of a holder who would not be liable or subject to such withholding or deduction if he were to make a declaration of non-residence or other similar claim for exemption but fails to do so; or

- (iv) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or
- (v) presented for payment more than 30 days after the relevant date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the last day of such period of 30 days assuming that day to have been a Payment Day; or
- (vi) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

For this purpose, the “relevant date” means whichever is the later of the date on which the moneys in respect of the Note, Receipt or Coupon (as the case may be) first become due and payable and, if the full amount of the moneys payable on such date has not been received by the Agent or the Trustee on or prior to such date, the date on which such moneys shall have been so received and notice to that effect shall have been given to the Noteholders in accordance with Condition 17.

#### **10. EVENTS OF DEFAULT AND ENFORCEMENT**

- (a) The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), (but, in the case of the happening of any of the events mentioned in sub-paragraphs (ii) to (vii) inclusive below (other than the winding up or the appointment of an administrative or other receiver of the whole or any material part of the undertaking or assets of the Issuer) only if the Trustee shall have certified in writing that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice to the Issuer that the Notes are, and they shall accordingly thereby immediately become, due and repayable at their Early Redemption Amount (together with interest accrued to the date upon which, the Early Redemption Amount of the Notes having been received by the Agent or the Trustee, notice is duly given to the Noteholders in accordance with Condition 17) if any of the following events shall occur and be continuing:
  - (i) default is made for a period of seven days or more in the payment of any principal due on the Notes or any of them or 21 days or more in the payment of any interest due on the Notes or any of them; or
  - (ii) an order is made or an effective resolution passed for winding up the Issuer or any Material Subsidiary (except, in the case of a Material Subsidiary, a winding up for the purpose of a reconstruction or amalgamation the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders or a voluntary solvent winding up in connection with the transfer of all or the major part of the business, undertaking and assets of such Material Subsidiary to the Issuer or another Subsidiary) or an administration order is made in relation to the Issuer or any Material Subsidiary; or
  - (iii) if the Issuer or any Material Subsidiary ceases to carry on the whole of its business or a substantial part of its business or (in the case of a Material Subsidiary) substantially the whole of its business (except (1) (in each case) where such cessation is for the purpose of a reconstruction or amalgamation the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders or (2) where such cessation is in connection with the transfer of all or a substantial part of the business of the Issuer to a Material Subsidiary or a sale of assets of the Issuer at fair market value where the proceeds of such sale are reinvested in the business of the Issuer or (3) (in the case of a Material Subsidiary) where such cessation is in connection with a solvent winding up of such Material Subsidiary (provided such Material Subsidiary is not the Issuer) or the transfer of the whole or substantially the whole of the business of such Material Subsidiary to the Issuer or to any company which is at the time thereof or will immediately thereafter be a wholly-owned Subsidiary or a sale of assets of such Material Subsidiary at fair market value where the proceeds of such sale are reinvested in the business of the Issuer or any wholly-owned Subsidiary);

- (iv) an encumbrancer takes possession or an administrative or other receiver is appointed of the whole or any material part of the undertaking or assets of the Issuer or any Material Subsidiary or a distress or execution is levied or enforced upon or sued out against all or any material part of the assets of the Issuer or any Material Subsidiary and is not removed, discharged or paid out within 30 days; or
- (v) the Issuer or any Material Subsidiary stops or threatens to stop making payments of its debts generally or is deemed to be unable to pay its debts within the meaning of Section 123(1)(e) and Section 123(2) of the Insolvency Act 1986 of Great Britain; or
- (vi) any indebtedness for moneys borrowed (as defined in the Trust Deed) of the Issuer or any Material Subsidiary is not paid on its due date where there is no applicable grace period or, if there is an originally applicable grace period, by the expiry of such period or becomes due and payable prior to the stated maturity by reason of a default or any guarantee of any indebtedness for moneys borrowed of any third party given by the Issuer or any Material Subsidiary is not honoured when due and called upon or any security created by any debenture, mortgage or charge created by the Issuer or any Material Subsidiary becomes enforceable and steps are taken to enforce the same provided that no such event shall constitute an event of default unless the indebtedness for moneys borrowed or the amount so secured and in respect of which such enforcement steps are taken either alone or when aggregated with other such indebtedness for moneys borrowed and amounts so secured shall be equal to or exceed the Specified Amount; or
- (vii) default is made by the Issuer in the performance or observance of any obligation, condition or provision binding on it under the Notes or the Trust Deed (other than any obligation for the payment of any principal or interest in respect of the Notes) and, except where such default is incapable of remedy, such default continues for 30 days after written notice thereof by the Trustee to the Issuer requiring the same to be remedied has been given.

For the purpose of this Condition:

- (1) “Material Subsidiary” means any Subsidiary in relation to which the proportion attributable to the Issuer of the net assets of such Subsidiary as shown by its most recent audited accounts is equal to at least 10 per cent. of the sum of the amount of the consolidated net assets of the Issuer and the Subsidiaries attributable to the members of the Issuer as shown by the most recent published audited consolidated accounts of the Issuer and the Subsidiaries (the “Relevant Accounts”) and the amount of such proportion to the extent that the same is not actually consolidated in the Relevant

Accounts and so that any necessary translation of currencies shall be effected on the same basis and as at the same date as are applied in drawing up the Relevant Accounts.

- (2) “Specified Amount” shall mean the greater of (a) £20,000,000 (or its equivalent in any other currency or currencies) and (b) such amount in Pounds sterling (or its equivalent in any other currency or currencies) as is equal to one per cent. of the aggregate of (i) the nominal amount of the share capital of the Issuer for the time being issued and paid up or credited as paid up, (ii) the amounts standing to the credit of the reserves (including any share premium account and profit and loss account) of the Issuer and the Subsidiaries and (iii) any amounts attributable to minority interests in such Subsidiaries, all as shown in the latest audited consolidated balance sheet of the Issuer and the Subsidiaries prepared in accordance with generally accepted accounting principles in the United Kingdom less (iv) any amounts, determined in accordance with generally accepted accounting principles in the United Kingdom, representing distribution of cash or tangible assets declared, recommended or made by the Issuer or any of the Subsidiaries (other than any distribution attributable to the Issuer or another Subsidiary) out of profits accrued prior to the date of, and not provided for in, the latest audited consolidated balance sheet of the Issuer and the Subsidiaries and less (v) any amounts shown in such latest audited consolidated balance sheet (y) attributable to intangible assets and (z) in respect of any debit on profit and loss account.

A certificate of two directors of the Issuer or of the Auditors (as defined in the Trust Deed) as to the Specified Amount shall, in the absence of manifest error, be conclusive and binding on all parties.

- (3) “substantial part” means 10 per cent. or more of the consolidated gross assets of the Issuer and the Subsidiaries taken as a whole.
- (b) The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes, the Receipts and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes, the Receipts or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

## **11. PRESCRIPTION**

The Notes, Receipts and Coupons (which for this purpose shall not include the Talons) will become void unless presented for redemption or payment within a period of ten years (in the case of Notes and Receipts) and five years (in the case of Coupons), in each case from the relevant date (as defined in Condition 9) in respect thereof, subject to the provisions of Condition 6. There shall not be included in any Coupon sheet issued on exchange of a Talon, any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6 or any Talon which would be void pursuant to Condition 6.

## **12. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER**

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Terms and Conditions as modified and completed by the applicable Final Terms or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing a clear majority of the nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain of these Terms and Conditions as modified and completed by the applicable Final Terms and of the provisions of the Trust Deed the quorum will be one or more persons holding or representing not less than three-quarters, or at any adjourned such meeting not less than one-half, of the nominal amount of the Notes for the time being outstanding.

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

The Trustee may (subject to certain exceptions) agree, without the consent of the Noteholders, Receiptholder or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Trust Deed or these Terms and Conditions as modified and completed by the applicable Final Terms which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or which is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation shall be binding on the Noteholders, Receiptholders and Couponholders and, unless the Trustee agrees otherwise, shall be notified to the Noteholders as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers or discretions (including, without limitation, any modification, waiver, authorisation or substitution), the Trustee shall have regard to the interests of the Noteholders as a class and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Noteholders, Receiptholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 9 and/or any undertaking given in addition to, or in substitution for, Condition 9 pursuant to the Trust Deed.

### **13. SUBSTITUTION**

The Trustee may also agree without the consent of the Noteholders, Receiptholders or Couponholders to the substitution of any Subsidiary, whether or not incorporated in the United Kingdom, in place of the Issuer (or of any previous substitute under this Condition). The Trustee may also agree without the consent of the Noteholders, the Receiptholders or the Couponholders to the addition of another company as an issuer of Notes under the Programme and the Trust Deed. Any such addition shall be subject to the relevant provisions of the Trust Deed and to such amendment thereof and such other conditions as the Trustee may require. Any such substitution and addition shall be binding on the Noteholders, the Receiptholders and the Couponholders and shall be notified to the Noteholders in accordance with Condition 17 as soon as practicable thereafter.

### **14. FURTHER ISSUES**

The Issuer is at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes ranking *pari passu* in all respects (or in all respects save in relation to the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding Notes. The Trust Deed contains provisions for convening a single meeting of holders of Notes of more than one Series in certain circumstances where the Trustee so decides.

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

If a Note (including any Global Note), Receipt, Coupon or Talon is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Agent on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before new ones will be issued.

### **16 INDEMNIFICATION**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from taking proceedings to enforce payment unless indemnified and/or secured and/or pre-funded to its satisfaction.

### **17 NOTICES**

All notices regarding the Notes will be valid if published in one leading daily newspaper in London (which is expected to be the *Financial Times*) or, if this is not possible, in one other leading English language daily newspaper with general circulation in Europe. The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication or, if required to be published in more than one newspaper, on the date of the first such publication in all the required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve.

Until such time as any Definitive Notes are issued, there may (provided that, in the case of Notes listed on a stock exchange, the stock exchange agrees), so long as any Global Note is held in its entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication as aforesaid the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the Noteholders and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange so require, such notice shall be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange or other relevant authority. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg, as appropriate.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any Noteholder to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

**18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

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

**19 GOVERNING LAW**

The Trust Deed, the Agency Agreement, the Notes, the Receipts, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts, the Coupons and the Talons are governed by, and will be construed in accordance with, English law.



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## Use of Proceeds

The net proceeds from each issue of Notes will be used for the general corporate purposes of the Group, which include making a profit and/or hedging certain risks. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

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## Description of 3i Group plc

### INTRODUCTION

3i Group plc was incorporated in England on 1st November, 1973 under the name of Finance for Industry Limited and adopted the name Investors in Industry Group plc in 1983. It is incorporated in England and Wales as a public limited company. It adopted its present legal and commercial name, 3i Group plc, in 1988. 3i Group plc was formed to acquire the whole of the issued share capital of Finance Corporation for Industry Limited (“FCI”) and of Industrial and Commercial Finance Corporation Limited (“ICFC”). Both ICFC and FCI were formed in 1945 at the request of the United Kingdom Government to supply long term and medium term capital respectively to British industry and commerce. ICFC was established to satisfy the need for a specialised financing vehicle to provide share and loan capital for small and medium-sized businesses and FCI was formed as a means of supporting the post-war reconstruction of British industry by providing medium term loans to large companies. Today the principal activities of the 3i group are investment and investment management with investment operations in Europe, Asia and the Americas.

3i Group plc is the parent company of the 3i group of companies (the “3i group”). 3i Group plc’s interest in the shares of substantially all its subsidiaries is held by its wholly-owned subsidiary, 3i Holdings plc. 3i Investments plc, an indirect wholly-owned subsidiary of 3i Group plc, acts as investment manager and adviser to 3i Group plc. 3i plc provides secretarial and administration services to the 3i group.

3i Investments plc, an indirect wholly-owned subsidiary of 3i Group plc, is authorised and regulated by the Financial Services Authority to manage investments and operate collective investment schemes.

On 18th July, 1994 the issued shares of 50 pence each in the capital of 3i Group plc were admitted to the Official List of the UK Listing Authority. On 11th July, 2005, the authorised (both issued and unissued) share capital of 3i Group plc was consolidated and sub-divided into ordinary shares of 53½ pence each and the new consolidated issued share capital admitted to the Official List of the UK Listing Authority. On 17th July, 2006 the authorised share capital of 3i Group plc was increased by the creation of 610,000,000 cumulative preference shares of one penny each (B Shares). On 17th July, 2006 the authorised (both issued and unissued) share capital of 3i Group plc represented by ordinary shares of 53½ pence each was consolidated and sub-divided into ordinary shares of 62<sup>6</sup>/<sub>8</sub> pence each and the new consolidated issued share capital admitted to the Official List of the UK Listing Authority.

On 16th July, 2007 the authorised share capital of 3i Group plc was increased by the creation of 50,000,000 additional cumulative preference shares of one penny each. On 16th July, 2007 the authorised (both issued and unissued) share capital of 3i Group plc represented by ordinary shares of 62<sup>6</sup>/<sub>8</sub> pence each was consolidated and sub-divided into ordinary shares of 73<sup>1</sup>/<sub>2</sub> pence each and the new consolidated issued share capital admitted to the Official List of the UK Listing Authority.

On 27th May, 2009 the authorised share capital of the Issuer was increased by the creation of 547,822,682 additional ordinary shares of 73<sup>1</sup>/<sub>2</sub> pence each pursuant to the announcement by the Issuer on 8th May, 2009 that it proposed to raise £699.3 million (net of expenses) by way of 9 new ordinary shares for every 7 ordinary shares rights issue (the “Rights Issue”). On 12th June, 2009 the Issuer issued 542,060,391 new ordinary shares of 73<sup>1</sup>/<sub>2</sub> pence each to shareholders under the Rights Issue at a subscription price of 135 pence per share. At 27 June, 2011, being the last practicable date prior to the issue of this Offering Circular, the issued share capital of 3i Group plc was 970,707,602.

3i Group plc’s registered address is 16 Palace Street, London SW1E 5JD, telephone: 020 7928 3131.

### SHAREHOLDERS

3i Group plc has been notified of the following interests in the share capital of 3i Group plc (in accordance with Chapter 5 of the FSA’s Disclosure and Transparency Rules and section 793 Companies Act 2006) as at the close of business on 27 June, 2011.

## Description of 3i Group plc

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	Number of Ordinary Shares as at 11 May 2011	Approximate percentage of issued ordinary share capital	Nature of holding
BlackRock, Inc.....	125,860,652	12.968	Indirect
Legal & General Plc and/or its subsidiaries.....	38,620,595	3.980	Direct
Deutsche Bank AG.....	38,605,451	3.980	Direct and indirect
Schroders Plc.....	47,870,160	4.933	Indirect
Ameriprise Financial, Inc and its group .....	66,041,715	6.805	Direct and indirect
Standard Life Investments plc .....	48,482,387	4.996	Direct and indirect
Government of Singapore Investment Corporation Pte Ltd .....	29,029,897	2.991	Direct

## BUSINESS

The 3i group is an international investor and a listed company, investing in private equity, infrastructure and debt management in Europe, Asia and the Americas.

Investments are made using capital from its own balance sheet and external funds. The 3i group has three main business lines, which are as follows:

### Private Equity

- *Buyouts*

Investing in buyouts with an enterprise value of up to €1 billion in Europe and Asia.

Investments are currently made through Eurofund V, a €5 billion Limited Partner fund to which 3i has a €2.8 billion commitment.

- *Growth Capital*

Minority investing in high-growth businesses with an enterprise value of up to €1 billion in Europe, Asia and the Americas

Investments are currently made through the €1.2 billion 3i Growth Capital Fund to which 3i has a €800 million commitment.

### Infrastructure

Investing primarily in utilities, transportation and social infrastructure in Europe, India and North America.

Investments are currently made through 3i Infrastructure plc, a listed vehicle in which the Group has a 33 per cent. shareholding, and the 3i India Infrastructure Fund, a \$1.2 billion Limited Partner fund to which 3i has a \$250 million commitment.

### Debt Management

Management of funds which invest in senior and mezzanine corporate debt in a wide range of typically large and private companies in Europe.

## MANAGEMENT

### Board of Directors

#### *Chairman*

Sir Adrian Montague

*Chairman since July 2010 and a non-executive Director since June 2010. Non-executive Chairman of Michael Page International PLC, CellMark AB and Anglian Water Group. A director of Skanska AB. Chairman of London First and of the Advisory Board of Reform.*

Previous experience:

Chairman of Friends Provident PLC, British Energy Group PLC, Cross London Rail Links Ltd (Crossrail) and Deputy Chairman of Network Rail.

**Executive Directors**

Michael Queen

*Chief Executive since 2009, and an Executive Director since 1997. A member of the Leadership Team (formerly Management Committee) and the Group's Investment Committee since 1997. A member of the Group's Portfolio Committee since it was established in September 2010. Joined 3i in 1987. A member of the Prime Minister's Business Advisory Group.*

Previous Experience:

Seconded to HM Treasury 1994 to 1996. Group Financial Controller from 1996 to 1997 and Finance Director from 1997 to 2005. Managing Partner, Growth Capital 2005 to 2008 and Managing Partner, Infrastructure 2008 to 2009. Chairman of the British Venture Capital Association from 2002 to 2003.

Julia Wilson

*Group Finance Director and member of the Leadership Team (formerly Management Committee) since 2008. Chair of the Group's Operating Committee since it was established in September 2010. Joined 3i in 2006 as Deputy Finance Director, with responsibility for the Group's finance, taxation and treasury functions.*

Previous Experience:

Group Director of Corporate Finance at Cable & Wireless plc.

**Non-Executive Directors**

Jonathan Asquith

*Non-executive Director since March 2011. Non-executive director of Ashmore Group plc, AXA UK plc and Chairman of AXA Investment Managers.*

Previous Experience:

A director of Schroders plc from 2002 until 2008, during which time he was Chief Financial Officer and later Vice-Chairman.

Alistair Cox

*Non-executive Director since 2009. Chief Executive of Hays plc.*

Previous Experience:

Chief Executive of Xansa plc from 2002 to 2007, and Regional President of Asia and Group Strategy Director at Lafarge (formerly Blue Circle Industries) between 1994 and 2002.

Richard Meddings

*Non-executive Director since 2008 and Senior Independent Director since October 2010. Group Finance Director of Standard Chartered PLC since 2006, having joined the Board of Standard Chartered PLC as a Group Executive Director in 2002. A member of the Governing Council of the International Chamber of Commerce, United Kingdom.*

Previous Experience:

Chief Operating Officer, Barclays Private Clients, Group Financial Controller at Barclays PLC and Group Finance Director of Woolwich PLC.

Willem Mesdag

*Non-executive Director since 2007. Managing Partner of Red Mountain Capital Partners LLC.*

Previous Experience:

A Partner and Managing Director of Goldman, Sachs & Co.

Christine Morin-Postel

*Non-executive Director since 2002. A director of British American Tobacco plc, Royal Dutch Shell plc and EXOR S.p.A.*

Previous Experience:

Chief Executive of Société Générale de Belgique, executive Vice-President and member of the executive committee of Suez and a director of Tractebel, Fortis and Alcan, Inc.

## **Description of 3i Group plc**

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The business address of each of the above Directors in respect of 3i Group plc is 16 Palace Street, London SW1E 5JD.

Details of the Directors and their directorships are stated as at the close of business on 27 June, 2011.

Except as described below there are no potential conflicts of interest between the Directors' duties to 3i Group plc and their private interests and/or other duties.

Anglian Water Group Limited – Sir Adrian Montague is Chairman of Anglian Water Group Limited (AWG) in which 3i Group plc holds interests totalling 3.973 per cent. of AWG's issued ordinary shares. This interest reflects 3i Group plc's shareholding in 3i Infrastructure plc (see below). 3i Investments plc (a wholly owned subsidiary of 3i Group plc) acts as investment adviser to 3i Infrastructure plc and as the investment manager of an investment partnership that holds a 15 per cent. equity stake in AWG. 3i Infrastructure plc, via this investment partnership, holds a 10.276 per cent. equity interest in AWG. Of its stake in AWG, 3i Group plc holds 0.347 per cent. via the investment partnership with the balance held via 3i Infrastructure plc. 3i Group plc holds 35.29 per cent. of 3i Infrastructure plc's equity shares.

Standard Chartered Bank – Richard Meddings is Group Finance Director of Standard Chartered plc. Standard Chartered Bank is a Dealer on the Note Issuance Programme and is a lender under one of 3i Group plc's committed revolving credit facilities. Certain Standard Chartered companies provide bank account and payment services to members of the 3i group in certain countries.

### **Employees**

The average monthly number of employees of 3i Group plc and its subsidiaries during the year ended 31st March, 2011 was 470.

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## Taxation

### **UNITED KINGDOM TAXATION**

The below applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current law and practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments of principal and interest in respect of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. Some aspects do not apply to certain classes of person (such as Dealers and persons connected with the Issuer) to whom special rules may apply. 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.

Under current law and HM Revenue and Customs practice in the United Kingdom:

1. 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 continue to be listed on a "recognised stock exchange", within the meaning of section 1005 of the Income Tax Act 2007. The London Stock Exchange is a recognised exchange for these purposes. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) and admitted to trading on the London Stock Exchange. Provided, therefore, that the Notes remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.
2. Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where interest on the Notes is paid by a company and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest; provided that HM Revenue and Customs has not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.
3. 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.
4. In other cases, 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 per cent.). 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, HM Revenue and Customs 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).
5. Noteholders may wish to note that in certain circumstances HM Revenue and Customs has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Noteholder. HM Revenue and Customs also has the power, in certain circumstances, to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person, although HM Revenue and Customs published practice indicates that HM Revenue and Customs will not exercise its power to require this information in respect of amounts payable on the redemption of deeply discounted securities where such amounts are paid on or before 5th April, 2012. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HM Revenue and Customs with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

**EU SAVINGS DIRECTIVE**

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

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## Subscription and Sale

The Dealers have, in an amended and restated Programme Agreement dated 28 June, 2011 (the “Programme 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” above. In the Programme Agreement, the Issuer has agreed to reimburse the Arranger for certain of its expenses in connection with the establishment of the Programme.

### **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 certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Whether or not otherwise permitted by Regulation S or U.S. tax laws, each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer, sell or deliver any Notes, as part of their distribution at any time or otherwise at any time that it is acting as an agent or intermediary of the Issuer or any of its affiliates and, in any event until 40 days after the completion of the distribution, as determined by the Agent, of all notes of the Tranche of which the Notes are a part within the United States or to, or for the account or benefit of, U.S. persons or U.S. Residents (as defined below), and it will have sent to each dealer to which it sells Notes during the relevant distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons or U.S. Residents.

As used herein, “U.S. Resident” includes any U.S. person, as well as (i) any natural person who is only temporarily residing outside the United States, (ii) any account of a U.S. person over which a non-U.S. fiduciary has investment discretion or any entity, which, in either case, is being used to circumvent the registration requirements of the U.S. Investment Company Act of 1940, and (iii) any employee benefit or pension plan that does not have as its participants or beneficiaries persons substantially all of whom are not U.S. persons. In addition, for these purposes, if an entity either has been formed or is operated for the purpose of investing in the Notes or in other securities of the Issuer, or facilitates individual investment decisions, such as a self-directed employee benefit or pension plan, the Notes will be deemed to be held for the account of the beneficiaries or other interest holders of such entity, and not for the account of the entity, and thus such beneficiaries or other interest holders must not be U.S. Residents. Terms used in this paragraph have the meanings given to them in Regulation S under the Securities Act.

As used herein, “United States” and “U.S.” mean the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not and will not make use of the United States mails or any means or instrumentality of United States interstate commerce, directly or indirectly, to offer for sale, sell or deliver after sale, in connection with the offering, any Notes, and it will have sent to each dealer to which it sells Notes during the relevant distribution compliance period a confirmation or other notice setting forth such prohibitions on use of means of U.S. interstate commerce.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Each issue of Index Linked Interest Notes or Dual Currency Interest 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 Final Terms. Each Dealer



has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions.

**PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS DIRECTIVE**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) 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 final terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 or, if the relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) 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 Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/ 71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

**UNITED KINGDOM**

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

- (a) in relation to any Notes which have a maturity of less than one year, (a) 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 (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act (the “FSMA”) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

**JAPAN**

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”) and each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

**GENERAL**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will, in the case of the jurisdictions referred to above (and to the best of its knowledge and belief in respect of other jurisdictions), comply with all applicable laws and regulations in force in any jurisdiction applicable to the purchase, offer, sale or delivery by it of Notes and 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 none of the Issuer and any other Dealer shall have any responsibility therefor.

Neither the Issuer nor the Dealers have represented and any further Dealer appointed under the Programme will not be required to represent 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 additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

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## General Information

### **1. LISTING**

The admission of Notes to the Official List will be expressed as a percentage of their nominal amount (excluding accrued interest). It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes initially representing the Notes of such Tranche. Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market. The listing of the Programme in respect of Notes is expected to be granted on or around 30 June, 2011.

### **2. AUTHORISATION**

The update of the Programme has been authorised under a resolution of the Board of the Directors of the Issuer passed on 11th July, 2007 and by a memorandum recording the exercise of delegated authority dated 6 June, 2011.

### **3. EUROCLEAR AND CLEARSTREAM, LUXEMBOURG**

The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The appropriate Common Code and ISIN for each Tranche will be specified in the applicable Final Terms. Transactions will normally be effected for settlement not earlier than three days after the date of the transaction.

The address of Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

### **4. CONDITIONS FOR DETERMINING PRICE**

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **5. SIGNIFICANT OR MATERIAL ADVERSE CHANGE**

There has been no significant change in the financial or trading position of the Issuer and its subsidiaries taken as a whole and no material adverse change in the financial position or prospects of the Issuer and its subsidiaries taken as a whole since 31st March, 2011.

### **6. LEGAL PROCEEDINGS**

Neither the Issuer nor any of its subsidiaries is involved or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect upon the financial position or profitability of the Issuer and its subsidiaries taken as a whole.

### **7. AUDITORS**

The consolidated accounts of the Issuer for the years ended 31st March, 2011 and 31st March, 2010 have been audited, without qualification, in accordance with Auditing Standards issued by the Auditing Practices Board, by Ernst & Young LLP. The accounts for the years ended 31st March, 2010 and 31st March 2009 have been delivered to the Registrar of Companies.

The audit report in respect of the Issuer for each of the financial years ended 31st March, 2011 and 31st March, 2010 stated: "This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no

other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed."

The financial information contained in this Offering Circular does not, with regard to the Issuer, constitute statutory accounts (within the meaning of section 434 of the Companies Act 2006) for any year or other period.

The Trust Deed provides that the Trustee may rely on certificates or reports from the Auditors (as defined in the Trust Deed) in accordance with the provisions of the Trust Deed whether or not called for by or addressed to the Trustee and whether or not any such certificate or report or engagement letter or other document entered into by the Trustee and the Auditors in connection therewith contains a monetary or other limit on the liability of the Auditors.

Ernst & Young LLP has no material interest in the Issuer.

#### **8. DOCUMENTS AVAILABLE FOR INSPECTION AND COLLECTION**

From the date of this document, for so long as any of the Notes remains outstanding and throughout the life of the Programme, copies of the following documents will, when published, be available for collection from the registered office of the Issuer and for inspection at the specified office of the Paying Agent in London:

- (i) the constitutional documents of the Issuer;
- (ii) the annual report and accounts of the Issuer in respect of the financial years ended 31st March, 2011 and 2010 respectively;
- (iii) the Programme Agreement, the Agency Agreement, the Trust Deed (which includes the forms of the temporary and permanent global Notes, the definitive Notes, the Receipts, the Coupons and the Talons); and
- (iv) this Offering Circular.

#### **9. POST-ISSUANCE INFORMATION**

Save as set out in the Final Terms, the Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

#### **10. DEALERS TRANSACTING WITH THE ISSUER**

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.

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**REGISTERED AND HEAD OFFICE OF 3i GROUP plc**

16 Palace Street  
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**THE ARRANGER**

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1 Finsbury Avenue  
London EC2M 2PP

**DEALERS**

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5 The North Colonnade  
Canary Wharf  
London E14 4BB

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Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

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60261 Frankfurt am Main

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Goldman Sachs International  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB

HSBC Bank plc  
8 Canada Square  
London E14 5HQ

J. P. Morgan Securities Ltd.  
125 London Wall  
London EC2Y 5AJ

Lloyds TSB Bank plc  
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London EC2V 7AE

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0900 Copenhagen K

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London EV2V 5DD

The Royal Bank of Scotland plc  
135 Bishopsgate  
London EC2M 3UR

UBS Limited  
1 Finsbury Avenue  
London EC2M 2PP

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**TRUSTEE**

The Law Debenture Trust Corporation p.l.c.  
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**ISSUING AND PRINCIPAL PAYING AGENT AND AGENT BANK**

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Canada Square  
Canary Wharf  
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**OTHER PAYING AGENT**

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German Agency and Trust Department  
Reuterweg 16  
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**LEGAL ADVISERS**

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as to English law*  
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*To the Dealers and Trustee  
as to English law*  
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London E1 6AD

**AUDITOR**

For the Issuer  
Ernst & Young LLP  
1 More London Place  
London SE1 2A

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