PROSPECTUS **Dated July 14, 2023**



U.S.$22,000,000,000

NOTE ISSUANCE PROGRAMME

Under its U.S.$22,000,000,000 Note Issuance Programme (the "**Programme**"), Bank of Montreal (the "**Bank**" or the "**Issuer**") may from time to time issue Notes (as defined below). This Prospectus supersedes any previous prospectus issued in respect of the Programme. Any Notes (other than Exempt Notes as defined below) issued under the Programme on or after the date of this Prospectus are issued subject to the provisions described herein. This Prospectus does not affect any Notes already in issue. Under its Programme, the Bank may from time to time, subject to compliance with all relevant laws, regulations and directives, issue Notes (the "**Notes**") payable in any currency agreed by the Bank and the relevant Purchaser(s) (as defined below). Notes to be issued under the Programme may comprise (i) unsubordinated Notes which constitute deposit liabilities of the Bank pursuant to the *Bank Act* (Canada) and will rank *pari passu* with all present or future deposit liabilities of the Bank (except as otherwise prescribed by law and subject to the exercise of bank resolution powers) and without preference amongst themselves (the "**Senior Notes**") that are principal protected and (ii) Senior Notes that are not principal protected (the "**Principal At Risk Notes**"). Senior Notes and Principal At Risk Notes that are neither admitted to trading on a regulated market in the European Economic Area (the "**EEA**") or the United Kingdom (the "**UK**") nor offered to the public in the EEA or the UK in circumstances where a prospectus is so required to be published under the EU Prospectus Regulation or the UK Prospectus Regulation (in each case, as defined below) (the "**Exempt Notes**") may also be issued under the Programme. The Notes will have maturities as determined from time to time subject, in the case of specific currencies, to all applicable legal, regulatory and central bank requirements. Subject as set out herein, the maximum aggregate nominal amount of all Notes (including Notes issued under this Prospectus and Senior Notes, Principal At Risk Notes and unsubordinated Notes that do not constitute deposit liabilities issued under offering documents other than this Prospectus) from time to time outstanding under the Programme shall not exceed U.S.$22,000,000,000 (or its equivalent in other currencies), calculated as described herein.

The Notes will be offered on a continuing basis to one or more of the dealers specified herein (each a "**Dealer**" and together the "**Dealers**", which expression shall include any additional dealer appointed by the Bank under the Programme from time to time, either for a specific issue or on an ongoing basis). Notes may also be issued to third parties other than Dealers. Dealers and such third parties are referred to as "**Purchasers**".

This Prospectus has been approved as a base prospectus by the UK Financial Conduct Authority (the "**FCA**") as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**EU Prospectus Regulation**"), as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**") (the "**UK Prospectus Regulation**"). The FCA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation and such an approval should not be considered as an endorsement of the Bank nor as an endorsement of the quality of any Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes. This Prospectus is valid for a period of 12 months from the date of approval. Applications have been made for Notes to be admitted during the period of 12 months from the date of approval of this Prospectus to listing on the Official List of the FCA (the "**Official List**") and to trading on the main market of the London Stock Exchange plc (the "**London Stock Exchange**").

The main market of the London Stock Exchange is a regulated market for the purposes of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA ("UK MiFIR") (a "Regulated Market" or "Market"). Additionally, application has been made for Notes to be admitted to trading on the International Securities Market of the London Stock Exchange (the "ISM"). The ISM is not a regulated market for the purposes of UK MiFIR. The ISM is a market designated for professional investors. Exempt Notes which are designated in the relevant Pricing Supplement as being admitted to trading on the ISM (the "ISM Notes") are not admitted to listing on the Official List. The London Stock Exchange has not approved or verified the contents of the Admission Particulars (as defined below). The FCA has neither approved nor reviewed information contained in this Prospectus in connection with Exempt Notes (including ISM Notes).

The requirement to publish a prospectus under the UK Prospectus Regulation only applies to Notes which are to be admitted to trading on a main market in the UK and/or offered to the public in the UK other than in circumstances where an exemption is available under section 86 of the FSMA. The requirement to publish a prospectus under the EU Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Articles 1(4) and 3(2) of the EU Prospectus Regulation. References in this Prospectus to "Exempt Notes" are to Notes for which no prospectus is required to be published under the UK Prospectus Regulation or the EU Prospectus Regulation**. Exempt Notes do not form part of this Prospectus for the purposes of the UK Prospectus Regulation and in relation to Exempt Notes neither the FCA nor the London Stock Exchange has approved or reviewed the contents of this Prospectus**.

An indication as to whether or not the Notes are admitted to the Official List and to trading on the Market or the ISM and notice of the aggregate nominal amount of, interest payable in respect of, the issue price of, and certain other terms and conditions not contained herein which are applicable to each Tranche (as defined herein) of Notes will be set forth in a final terms supplement (the "**Final Terms**") or in a prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "Final Terms or Drawdown Prospectuses" below which, with respect to Notes to be listed on the London Stock Exchange, will be delivered to the London Stock Exchange and the FCA and, in the case of a Drawdown Prospectus in respect of such Tranche of Notes will be approved by the FCA on or before the admission to trading of the Notes of such Tranche. In the case of Exempt Notes (including ISM Notes) issued under the Programme, references herein to the Final Terms or Drawdown Prospectuses shall, unless the context otherwise requires, be construed as references to the pricing supplement substantially in the form set forth in this Prospectus (the "**Pricing Supplement**") or the admission particulars specific to such Tranche (the "**Drawdown Admission Particulars**"), respectively.

No prospectus is required to be published under the UK Prospectus Regulation in respect of the Exempt Notes (including the ISM Notes). For the purposes of any ISM Notes issued under the Programme, this document does not constitute a prospectus within the meaning of the UK Prospectus Regulation and will constitute Admission Particulars.

This Prospectus (including any documents incorporated by reference) and copies of Final Terms, Pricing Supplements for Exempt Notes (including the ISM Notes), or Drawdown Prospectuses (i) can be viewed on the website of the National Storage Mechanism at *https://data.fca.org.uk/#/nsm/nationalstoragemechanism* under "Bank of Montreal" and (ii) will be available at the specified office of the Agent (as defined herein) and for collection free of charge from the head office of the Bank in Toronto, Canada.

The credit ratings of the Programme referred to on page xii of this Prospectus have been assigned by Moody's Canada Inc. ("**Moody's Canada**"), S&P Global Ratings, acting through S&P Global Ratings Canada, a business unit of S&P Global Canada Corp. ("**S&P Canada**") and Fitch Ratings, Inc. ("**Fitch**"). The credit ratings of the Bank's debt referred to on page 225 of this Prospectus have been assigned by Moody's Investors Service, Inc. ("**Moody's USA**"), Standard & Poor's Financial Services LLC ("**S&P USA**"), DBRS Limited ("**DBRS**") and Fitch. None of these rating entities are established in the European Union (the "**EU**") or in the UK or registered under Regulation (EC) No 1060/2009, as amended (the "**EEA CRA Regulation**") or, in relation to the UK, such regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). See "Important Notices – Credit Rating Agencies".

Amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purpose of Regulation (EU) 2016/1011 (as amended, the "EU Benchmark Regulation") or, in relation to the UK, Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "UK Benchmark Regulation"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the FCA's register of administrators and benchmarks under Article 36 of the UK Benchmark Regulation. Not every reference rate administrator will fall within the scope of either regulation. Further, transitional provisions in one or both of those regulations may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at any particular date. The registration status of any administrator under one or both of those regulations is a matter of public record, and save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

Unless otherwise specified in the applicable Final Terms, the Bank will issue Notes that evidence deposit liabilities under the *Bank Act* (Canada) whose Branch of Account for purposes of the *Bank Act* (Canada) is the main branch in Toronto. The Bank may also issue such instruments whose Branch of Account for *Bank Act* (Canada) purposes is the London branch, if specified in the applicable Final Terms. Irrespective of any specified Branch of Account, the Bank is (a) the legal entity that is the issuer of the Notes and (b) the legal entity obligated to repay the Notes. The Bank is the only legal entity that will issue Notes pursuant to the Programme. The determination by the Bank of the Branch of Account for Notes will be based on various considerations, including those relating to (i) the market or jurisdiction into which the Notes are being issued, based on factors including investors' preferences in a specific market or jurisdiction, (ii) specific regulatory requirements, such as a regulator requiring that a branch increase its liquidity through locally sourced funding, or (iii) tax implications that would affect the Bank or investors, such as the imposition of a new tax if an alternative branch was used. A branch of the Bank is not a subsidiary of the Bank or a separate legal entity from the Bank.

Senior Notes that are Bail-inable Notes (as defined below) are subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the *Canada Deposit Insurance Corporation Act* (Canada) (the "CDIC Act") and to variation or extinguishment in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Senior Notes. See "Risk Factors – Factors which are material for the purpose of accessing the market risks associated with the Notes issued under the Programme - Risks applicable to Bail-inable Notes" and Condition 3(b) of the "Terms and Conditions of the Notes". The applicable Final Terms will indicate whether the Senior Notes are Bail-inable Notes. Senior Notes are also potentially subject to resolution powers of authorities outside of Canada in exceptional circumstances. See "Risk Factors - UK resolution risks applicable to the Notes" and "Risk Factors - Risks related to the Notes generally - Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada".

See "Risk Factors" for a discussion of certain risks that should be considered in connection with an investment in Notes which may be offered under the Programme.

Arrangers

BMO CAPITAL MARKETS **BARCLAYS**

Dealers

BMO Capital Markets
BNP PARIBAS
Commerzbank
Credit Suisse
HSBC
Lloyds Bank Corporate Markets
Société Générale
Corporate & Investment Banking
Barclays
Citigroup
Crédit Agricole CIB
Goldman Sachs International
J.P. Morgan
Morgan Stanley
UBS Investment Bank

The Notes of each Tranche will either initially be represented by a temporary global note or, if agreed between the Bank and the relevant Purchaser, be represented by a permanent global Note, which, in either case, will be deposited on the issue date thereof with (i) if the temporary global Note is intended to be issued in new global note ("**NGN**") form as specified in the applicable Final Terms, a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and (ii) if the temporary global Note is intended to be issued in classic global note ("**CGN**") form as specified in the applicable Final Terms, a common depositary on behalf of Euroclear and Clearstream, Luxembourg and/or such other clearing system as otherwise agreed, as further described in "Issue Procedures" herein. Beneficial interests in a temporary global Note will be exchangeable for beneficial interests in a permanent global Note on or after the date falling not earlier than 40 days after the relevant issue date upon appropriate certification of beneficial ownership as described herein. Notwithstanding the foregoing, each Series of Senior Notes having an original maturity of one year or less will initially be represented by one or more permanent global Notes deposited as aforesaid.

Notes will be issued in bearer form and, depending on their specified currency, will be accepted for clearance through one or more clearing systems, as specified in the applicable Final Terms. These systems may include, in the case of Notes issued in Europe, Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system.

Beneficial interests in a permanent global Note will be exchangeable for security-printed Definitive Notes only in limited circumstances. See "Terms and Conditions of the Notes — Definitive Notes". The Bank may agree with any Purchaser that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplementary prospectus or Drawdown Prospectus (as defined herein), if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

IMPORTANT NOTICES

This Prospectus comprises (i) a base prospectus for the purposes of Article 8 of the UK Prospectus Regulation and (ii) admission particulars for the purposes of the ISM Rulebook (as amended from time to time) (the "**Admission Particulars**"). References to Prospectus herein include the Admission Particulars unless the context otherwise requires. For the avoidance of doubt, a Pricing Supplement forms part of the Admission Particulars and does not form part of this Prospectus.

This document supersedes the prospectus of the Bank dated July 15, 2022, except that Notes issued on or after the date of this document which are to be consolidated and form a single series with Notes issued prior to the date of this document will be subject to the Terms and Conditions of the Notes applicable on the date of issue for the first tranche of Notes of such series. Those Terms and Conditions are incorporated by reference in, and form part of, this document.

Under the Bail-in Regime (as defined herein), in certain circumstances, amending or extending the term to maturity of Notes which would otherwise not be Bail-inable Notes because they were issued before September 23, 2018, would mean those Notes could be subject to a Bail-in Conversion. However, the Bank does not intend to amend or re-open any Series of Notes where such re-opening could have the effect of making the relevant Notes subject to Bail-in Conversion.

The Bank accepts responsibility for the information contained in this Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Bank, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

This Prospectus is to be read in conjunction with any supplements hereto as may be approved by the FCA from time to time and with all documents which are incorporated herein or therein by reference (see "Documents Incorporated by Reference") and, in relation to the final terms of any particular Tranche of Notes, the applicable Final Terms. This Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Prospectus.

In the case of Notes which are to be admitted to trading on the main market of the London Stock Exchange or a Regulated Market in the EEA, or offered to the public in circumstances which require the publication of a prospectus under the UK Prospectus Regulation or the EU Prospectus Regulation (as applicable), or in respect of Exempt Notes, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Bank in connection with the Notes. The Dealers accept no liability in relation to the information contained in this Prospectus or any other information provided by the Bank in connection with this Prospectus or the Notes.

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

Neither this Prospectus, nor any information incorporated herein by reference nor any other information supplied in connection with the Programme or the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as recommendations by the Bank or any of the Dealers

that any recipient of this Prospectus, or any information incorporated herein by reference or any other information supplied in connection with this Prospectus or the Notes, should purchase any of the Notes nor are they intended to provide the basis of any credit or other evaluation. 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 Bank. Neither this Prospectus, nor any information incorporated herein by reference nor any other information supplied in connection with this Prospectus or the Notes constitutes an offer or invitation by or on behalf of the Bank or any of the Dealers to any person to purchase any of the Notes.

None of the Bank, the Arrangers nor the Dealers accept any responsibility for any third party social, environmental and sustainability assessment of any Notes issued as Sustainable Bonds (as defined under "*Risk Factors – Notes issued as "sustainable bonds" may not be a suitable investment for all investors seeking exposure to sustainable, green, and/or social assets*", below) or similar labels or makes any representation or warranty or gives any assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainable", "social", "ESG", "sustainability-linked" or similar labels. None of the Arrangers nor the Dealers are responsible for the use of proceeds (or amounts equal thereto) for any Notes issued as Sustainable Bonds nor the impact or monitoring of such use of proceeds (or amounts equal thereto). None of the Arranger or the Dealers have undertaken an assessment of any "Green', "Social" or "Sustainable" projects or assets or the Bank's Sustainable Financing Framework (as defined herein) or verified whether any projects or uses the subject of, or related to, any Eligible Asset funded with the proceeds from Sustainable Notes meet any or all eligibility criteria, including without limitation under the Sustainable Financing Framework. Investors should refer to the Sustainable Financing Framework, the independent opinion delivered by Sustainalitics dated September 2019 on the Bank's Sustainable Financing Framework (the "**Second Party Opinion**") and any public reporting by or on behalf of the Bank in respect of the applicable use of proceeds (or amounts equal thereto) each of which will be found on the Bank's website at https://www.bmo.com/main/about-bmo/investor-relations/fixed-income-investors/funding-programs. The Second Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion is a statement of opinion, not a statement of fact. No representation or assurance is given by the Bank, the Arrangers, the Dealers, nor any of their respective affiliates as to the suitability or reliability of any such materials or the suitability or reliability of any opinion, report or certification of any third party made available in connection with an issue of Notes issued as Sustainable Bonds or in respect of any sustainability framework made available by the Bank, nor is any such opinion, report or certification a recommendation by the Bank, the Arrangers or any Dealer, nor any of their respective affiliates to buy, sell or hold any such Notes. As at the date of this Prospectus, the providers of such opinions, reports and certifications are not subject to any specific regulatory or other regime or oversight. The Second Party Opinion and any other such opinion, report or certification is not, nor should be deemed to be, a recommendation by the Bank, the Dealers, the Arrangers, nor any of their respective affiliates, or any other person to buy, sell or hold any Notes and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of the Second Party Opinion or any such other opinion, report or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Bank's Sustainable Financing Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Prospectus. The Bank's Sustainable Financing Framework, the Second Party Opinion and any other such opinion, report or certification does not form part of, nor is incorporated by reference in, this Prospectus. In the event any such Notes are, or are intended to be, listed, or admitted

to trading on a dedicated "green", "sustainable" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Bank, the Arrangers or any of the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes. For further information – see the section entitled "Sustainable Bond Framework" for further information.

The delivery of this Prospectus does not at any time imply that the information contained herein concerning the Bank is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme or the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Bank during the life of the Programme. Each recipient of this Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Bank.

This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and any Final Terms and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus, any Notes or any offering material come must inform themselves about, and observe, any such restrictions. This Prospectus 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 an offer or a solicitation by anyone not authorised so to act. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of the Notes in Canada, the United States, the EEA (including Belgium, France, the Republic of Italy and The Netherlands), the UK, Hong Kong, Japan, Singapore, Switzerland, the People's Republic of China and Taiwan. The Notes have not been and will not be registered under the *United States Securities Act of 1933* (as amended) and include Notes in bearer form that are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to United States persons (see "Subscription and Sale"). The Bank and the Dealers do not represent that this document may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Bank, the Arrangers or any Dealer that would permit a public offering of the Notes or distribution of this Prospectus in a jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisements or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. If a jurisdiction requires that the offering be made by a licensed broker or dealer and a Dealer, or any parent company or affiliate of such Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer, or such parent company or affiliate on behalf of the Bank in such jurisdiction.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes (or the Pricing Supplement in the case of Exempt Notes) may include a legend entitled "MiFID II PRODUCT GOVERNANCE / TARGET MARKET" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "MiFID II") is responsible for

undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under Commission Delegated Directive (EU) 2017/593 (the "MiFID II Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID II Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes), may include a legend entitled "UK MiFIR PRODUCT GOVERNANCE" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

If the applicable Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) includes a legend entitled "PROHIBITION OF SALES TO EEA RETAIL INVESTORS", the Notes or Exempt Notes, as the case may be, are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or Exempt Notes, as the case may be, or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or Exempt Notes, as the case may be, or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

If the applicable Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes), includes a legend entitled "PROHIBITION OF SALES TO UK RETAIL INVESTORS", the Notes or Exempt Notes, as the case may be, are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one

(or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or Exempt Notes, as the case may be, or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or Exempt Notes, as the case may be, or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Prospectus has been prepared on the basis that any offer of Notes in any Member State of the EEA or in the UK will be made pursuant to an exemption under the EU Prospectus Regulation or the UK Prospectus Regulation (as the case may be) from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in a Member State of the EEA or in the UK of Notes which are the subject of an offering contemplated in this Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Bank or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or section 85 of the FSMA (as the case may be), or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation or the UK Prospectus Regulation (as the case may be), in each case, in relation to such offer. Neither the Bank nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Bank or any Dealer to publish or supplement a prospectus for such offer.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA")

Unless otherwise stated in the applicable Final Terms in respect of any Notes (or the Pricing Supplement in the case of Exempt Notes), and in each such case notified to the Dealers prior to any offer of Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

THE PURCHASE OF NOTES MAY INVOLVE SUBSTANTIAL RISKS AND MAY BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY, IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, (I) ALL THE INFORMATION SET FORTH IN THIS PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW AND (II) ALL THE INFORMATION SET FORTH IN THE APPLICABLE FINAL TERMS. PROSPECTIVE INVESTORS SHOULD MAKE SUCH ENQUIRIES AS THEY DEEM NECESSARY, INCLUDING (WITHOUT LIMITATION) WITH THEIR OWN FINANCIAL, TAX AND LEGAL ADVISERS, WITHOUT RELYING ON THE BANK OR ANY DEALER.

The Notes may not be suitable 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, either on its own or with the help of its financial or other professional advisers, should consider whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus, any applicable supplement and any applicable Final Terms;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant 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 or Bail-inable Notes which will be converted (in whole or in part) into Common Shares of the Bank or an affiliate upon a Bail-in Conversion (as defined in Condition 3(b));

(d) understands thoroughly the terms of the relevant Notes and is familiar with the behaviour of any relevant indices and financial markets;

(e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and

(f) understands the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the relevant Notes.

Notes can be 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 effect on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

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, (3) Notes can be used as repo-eligible securities, and (4) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should also consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital guidelines or similar rules.

Other than in relation to the documents which are deemed to be incorporated by reference (see "Documents Incorporated by Reference"), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the FCA.

In this Prospectus, references to "**Cdn.$**" and "**$**" are to Canadian dollars, references to "**U.S.$**" and "**U.S. dollars**" are to United States dollars, references to "**euro**" and "**EUR**" are to the currency of the member states that adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended, references to "**£**" and "**sterling**" are to UK pounds sterling, references to "**yen**" are to Japanese yen and references to "**CNY**", "**RMB**" and "**Renminbi**" are to the lawful currency of the People's Republic of China ("**PRC**" or "**China**") which, for the purposes of this Prospectus, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative

Region of the PRC and Taiwan. References herein to the "**European Economic Area**" or "**EEA**" are to the Member States of the EU together with Iceland, Norway and Liechtenstein.

In this Prospectus, unless the contrary intention appears, a reference to a law or regulation or a provision of a law or regulation is a reference to that law or regulation or provision thereof as extended, amended or re-enacted.

Certain figures and percentages included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, A DEALER OR DEALERS ACTING AS STABILISATION MANAGER(S) (THE "STABILISATION MANAGER(S)") (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. 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 CEASE 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 STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF THE RELEVANT STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Language of Documents

Each investor confirms its express wish that all documents evidencing or relating to the sale of the Notes and all other contracts and related documents be drafted in the English language. *Chaque investisseur confirme sa volonté expresse que tous les documents attestant de la vente des billets ou s'y rapportant ainsi que tous les autres contrats et documents s'y rattachant soient rédigés en langue anglaise*.

CREDIT RATING AGENCIES

Senior Notes issued under the Programme are generally rated Aa2/P-1 and A2 (Bail-inable Notes) by Moody's Canada, A+/A-1 and A- (Bail-inable Notes) by S&P Canada, and AA/F1+ and AA- (Bail-inable Notes) by Fitch. A Series (as defined herein) of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. **The rating of the Notes is not a recommendation to purchase, hold or sell the Notes, and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agencies. There is no assurance that the rating of the Notes will remain for any given period of time or that the rating will not be lowered or withdrawn by the rating agencies if in their judgment circumstances so warrant. Investors are cautioned to evaluate each rating independently of any other rating.**

The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. In general, European regulated investors are restricted under the EEA CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EEA CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant non-EEA credit rating agency is certified in accordance with the EEA CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). In addition, UK regulated investors are, in general, restricted under the UK CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the UK and registered under the UK CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-UK credit rating agencies, unless the relevant credit ratings are endorsed by a UK credit rating agency or the relevant non-UK registered credit rating agency is certified in accordance with the UK CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

In addition to the Programme ratings provided by Moody's Canada, S&P Canada and Fitch, each of Moody's USA, S&P USA, DBRS and Fitch has provided issuer ratings for the Bank as specified under "Bank of Montreal – Issuer Ratings".

None of Moody's Canada, Moody's USA, S&P Canada, S&P USA, Fitch or DBRS is established in the EEA or in the UK or registered under either the EEA CRA Regulation or the UK CRA Regulation. However, Moody's Deutschland GmbH., S&P Global Ratings Europe Limited, DBRS Ratings GmbH and Fitch Ratings Ireland Limited, which are established and registered in the EU, have endorsed the ratings of Moody's Canada, Moody's USA, S&P Canada, S&P USA, Fitch and DBRS, respectively, for purposes of the EEA CRA Regulation. Moody's Investors Service Limited, S&P Global Ratings UK Limited, Fitch Ratings Limited and DBRS Ratings Limited, which are established and registered in the UK, have endorsed the same ratings for purposes of the UK CRA Regulation.

The European Securities and Market Association ("**ESMA**") is obliged to maintain on its website a list of credit rating agencies registered in accordance with the EU CRA Regulation. This list must be updated within 5 working days of ESMA's adoption of any decision to withdraw the registration of a credit rating agency under the EU CRA Regulation. ESMA's website address is https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation. The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the

relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

The FCA is obliged to maintain on its website a list of credit rating agencies registered in accordance with the UK CRA Regulation. The FCA's website address is https://www.fca.org.uk/firms/credit-rating-agencies. The information contained on this website does not form part of this Prospectus.

In accordance with Article 4.1 of the EEA CRA Regulation and UK CRA Regulation, please note that the following documents (as defined in the section entitled "Documents Incorporated by Reference") incorporated by reference in this Prospectus contain references to credit ratings:

(a) 2022 MD&A (as defined below) (page 99);

(b) 2022 AIF (as defined below) (pages 11 to 12 and II-1 to II-2); and

(c) Second Quarter 2023 MD&A (as defined below) (pages 45 to 46).

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

The Bank's public communications often include written or oral forward-looking statements. Statements of this type are included in this Prospectus and in the documents incorporated by reference, and may be included in other filings with Canadian securities regulators or the United States Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbor" provisions of, and are intended to be forward-looking statements under, the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. The forward-looking statements in this Prospectus and in the documents incorporated by reference may include, but are not limited to, statements with respect to the Bank's objectives and priorities for fiscal 2023 and beyond, its strategies or future actions, its targets and commitments (including with respect to climate ambition and net zero emissions), expectations for the Bank's financial condition, capital position or share price, the regulatory environment in which the Bank operates and the results of or outlook for its operations or for the Canadian, United States and international economies, plans for the combined operations of BMO and Bank of the West, the timing for converting Bank of the West customer accounts and systems onto the Bank's respective platforms and the financial, operational and capital impacts of the transaction, and include statements of the Bank's management. Forward-looking statements are typically identified by words such as "will", "would", "should", "believe", "expect", "anticipate", "project", "intend", "estimate", "plan", "commit", "target", "may", "might", "schedule", "forecast", "outlook", "seek" and "could" or negative or grammatical variations thereof.

By their nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that the Bank's assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections. The Bank cautions readers of this Prospectus and the documents incorporated by reference not to place undue reliance on these forward-looking statements as a number of factors – many of which are beyond the Bank's control and the effects of which can be difficult to predict - could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which the Bank operates, including labour challenges; the impact of adverse developments affecting the U.S. and global banking industry, including the risk of bank failures and liquidity concerns, the heightening of economic and market volatility, and regulatory responses to such developments; the anticipated benefits from acquisitions, including Bank of the West, such as potential synergies, accretion to adjusted earnings per share (EPS), and operational efficiencies, are not realized; changes to the Bank's credit ratings; the emergence or continuation of widespread health emergencies or pandemics, and their impact on local, national or international economies, as well as their heightening of certain risks that may affect the Bank's future results; information, privacy and cybersecurity, including the threat of data breaches, hacking, identity theft and corporate espionage, as well as the possibility of denial of service resulting from efforts targeted at causing system failure and service disruption; benchmark interest rate reforms; technological changes and technology resiliency; political conditions, including changes relating to or affecting economic or trade matters; climate change and other environmental and social risk; the Canadian housing market and consumer leverage; inflationary pressures; global supply-chain disruptions; changes in monetary, fiscal, or economic policy; changes in laws, including tax legislation and interpretation, or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; weak, volatile or illiquid capital or credit markets; the level of competition in the geographic and business areas in which

the Bank operates; exposure to, and the resolution of, significant litigation or regulatory matters, the Bank's ability to successfully appeal adverse outcomes of such matters and the timing, determination and recovery of amounts related to such matters; the accuracy and completeness of the information the Bank obtains with respect to its customers and counterparties; failure of third parties to comply with their obligations to the Bank; the Bank's ability to execute its strategic plans and to complete proposed acquisitions or dispositions and integrate acquisitions, including obtaining regulatory approvals; critical accounting estimates and the effects of changes to accounting standards, rules and interpretations on these estimates; operational and infrastructure risks, including with respect to reliance on third parties; global capital markets activities; the possible effects on the Bank's business of war or terrorist activities; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; and the Bank's ability to anticipate and effectively manage risks arising from all of the foregoing factors.

The Bank cautions that the foregoing list is not exhaustive of all possible factors. Other factors and risks could adversely affect the Bank's results. For more information, please see the Risk Factors starting on page 14 hereof and the discussion in the "Risks That May Affect Future Results" section, and the sections related to credit and counterparty, market, insurance, liquidity and funding, operational, non-financial, legal and regulatory, strategic, environmental and social, and reputation risk, in the "Enterprise-Wide Risk Management" section that starts on page 73 of the 2022 MD&A incorporated herein by reference, and the "Risk Management" section that starts on page 41 of the Second Quarter 2023 MD&A incorporated herein by reference, all of which outline certain key factors and risks that may affect the Bank's future results. Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by the organisation or on its behalf, except as required by law. The forward-looking information contained in this Prospectus or incorporated by reference in this Prospectus is presented for the purpose of assisting the potential Noteholders in understanding the Bank's financial position as at and for the periods ended on the dates presented, as well as the Bank's strategic priorities and objectives, and may not be appropriate for other purposes.

Material economic assumptions underlying the forward-looking statements contained in this Prospectus or incorporated by reference in this Prospectus include those set out in the "Economic Developments and Outlook" section on page 29 of the 2022 MD&A incorporated herein by reference, as updated by the "Economic Developments and Outlook" section set out in the Second Quarter 2023 MD&A incorporated herein by reference, as well as in the "Allowance for Credit Losses" section on page 114 of the 2022 MD&A incorporated herein by reference as updated by the "Allowance for Credit Losses" set out in the Second Quarter 2023 MD&A incorporated herein by reference. Assumptions about the performance of the Canadian and United States economies, as well as overall market conditions and their combined effect on the Bank's business, are material factors it considers when determining its strategic priorities, objectives and expectations for its business. Assumptions about the Bank's integration plan, the efficiency and duration of integration and the alignment of organizational responsibilities were material factors the Bank considered in estimating pre-tax cost synergies and integration costs. Assumptions about the Bank's current and expected financial performance (including balance sheet, income statement and regulatory capital figures), expected cost and revenue synergies (and timing to achieve) relating to the Bank of the West acquisition, and current and future foreign exchange rates, interest rates and shares outstanding were material factors considered in estimating adjusted EPS accretion.

In determining the Bank's expectations for economic growth, the Bank primarily considers historical economic data, past relationships between economic and financial variables, changes in government policies, and the risks to the domestic and global economy.

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OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions not otherwise defined in this section shall have the same meaning ascribed thereto in "Issue Procedures" and "Terms and Conditions of the Notes".

This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980 as it forms part of UK domestic law by virtue of the EUWA.

Words and expressions defined in the "Terms and Conditions of the Notes" below shall have the same meanings in this overview.

Issuer:	Bank of Montreal (the "**Bank**").
Issuer Legal Entity Identifiers (LEI):	NQQ6HPCNCCU6TUTQYE16
Description:	Senior Notes and Principal At Risk Notes to be continuously offered pursuant to a Note Issuance Programme.
Arrangers:	Bank of Montreal, London Branch Barclays Bank PLC
Dealers:	Bank of Montreal, London Branch Barclays Bank PLC BMO Capital Markets Limited BNP Paribas Citigroup Global Markets Limited Commerzbank Aktiengesellschaft Crédit Agricole Corporate and Investment Bank Credit Suisse International Goldman Sachs International HSBC Bank plc J.P. Morgan Securities plc Lloyds Bank Corporate Markets plc Morgan Stanley & Co. International plc Société Générale UBS AG London Branch and any additional Dealer appointed from time to time by the Bank in accordance with the Programme Agreement either generally in respect of the Programme or in relation to a particular Tranche of Notes. Notes may also be sold directly to third parties other than Dealers on the basis of enquiries made by such third parties to the Bank (see "Subscription and Sale").

Regulations and Guidelines:	Notes shall be issued in compliance with applicable regulations and guidelines from time to time (see "Subscription and Sale"). In connection with the issue of Notes denominated or payable in Japanese yen ("**Yen Notes**"), the Bank will comply with all applicable laws, regulations and guidelines of the relevant Japanese governmental and regulatory authorities in effect at the relevant time. The Bank or its designated agent shall submit reports or information as may be required from time to time by such laws, regulations and guidelines. Each Purchaser will be required to provide to the Bank any necessary information relating to Yen Notes (which shall not include the names of clients) so that the Bank may make any required reports to the Minister of Finance of Japan either through itself or through its designated agent. The Bank will, in relation to Notes (including Notes denominated in sterling) the proceeds of which are to be accepted by the Bank in the UK, comply with all applicable laws, regulations and guidelines from time to time of UK authorities and relevant in the context of the issue of such Notes. The Bank is an authorised institution pursuant to the *Financial Services and Markets Act 2000* (Transitional Provision) (Authorised Persons) Order 2001.
Issuing and Principal Paying Agent:	HSBC Bank plc
Paying Agent:	Banque Internationale à Luxembourg, société anonyme
Programme Amount	The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme (including Senior Notes, Principal At Risk Notes and unsubordinated Notes that do not constitute deposit liabilities issued under offering documents other than this Prospectus) will not exceed U.S.$22,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement). The Bank will have the option at any time to increase the amount of the Programme, subject to prior notice to the Dealers and delivery of specified documentation.
Method of Distribution:	Notes may be distributed by way of private placement or (subject to any applicable selling restrictions) public offering and in each case on a syndicated or non-syndicated basis. Notes will be issued on a continuous basis in series (each, a "**Series**"). The Notes comprising each Series will have one or more issue dates, the same maturity date and will bear interest (if any) on the same basis and at the same rate (except in respect of the first payment of interest) and on terms otherwise identical. The Notes of each Series are intended to be interchangeable with all other Notes of that Series. The Notes of any Series with the same issue date and interest

commencement date will comprise a tranche (a "**Tranche**"). Final Terms will be published in respect of each Tranche.

Alternatively, the Bank may agree with any Purchaser to issue a particular Tranche of Notes under the Programme pursuant to a Drawdown Prospectus prepared in connection with such Tranche. The terms and conditions applicable to each Tranche which is the subject of a Drawdown Prospectus will be those set out herein under "Terms and Conditions of the Notes" as supplemented, modified or replaced by the relevant Drawdown Prospectus. In the case of a Tranche of Notes that is the subject of a Drawdown Prospectus, each reference in this Prospectus to information being set out, specified, stated, shown, indicated or otherwise provided for in the relevant Drawdown Prospectus and, as applicable, each other reference to Final Terms in the Prospectus shall be read and construed as a reference to such Drawdown Prospectus.

The Bank does not intend to re-open a Series of Senior Notes where such re-opening would have the effect of making the relevant Senior Notes subject to Bail-in Conversion.

Specified Currencies: Subject to any applicable legal or regulatory restrictions, Notes may be denominated or payable in any currency or currencies as may be agreed upon by the Bank and the relevant Purchaser(s) (as specified in the applicable Final Terms) including, without limitation, Australian dollars, Canadian dollars, Czech koruna, Danish kroner, euro, Hong Kong dollars, Japanese yen, Norwegian kroner, New Zealand dollars, South African rand, sterling, Swedish kronor, Swiss Franc, U.S. dollars and Renminbi.

If the Notes are payable in a currency other than euro or Renminbi and such currency is unavailable on the foreign exchange markets due to circumstances beyond its control, the Bank will be entitled to satisfy its obligations in respect of such payment by making payment in Euro on the basis of the spot exchange rate.

If the Notes are payable in Renminbi and the Bank cannot obtain Renminbi to satisfy its obligations on the Notes as a result of Inconvertibility, Non-transferability or Illiquidity (as defined in Condition 6(h)), the Bank shall be entitled to settle such payment in U.S. dollars.

Maturities: Notes may have any maturity as may be agreed upon by the Bank and the relevant Purchaser(s) (as specified in the applicable Final Terms) subject, in the case of specific currencies, to all applicable legal, regulatory and central bank requirements.

Issue Price: Notes may be issued at par or at a discount to, or premium over, par and may be issued on a fully paid (or, in the case of Exempt Notes, also on a partly-paid) basis.

Form of Notes: Notes will be issued in bearer form. Each Tranche of Notes will initially be represented by one or more temporary global Notes which (i) if in NGN form, will be deposited on the relevant Issue Date with a Common Safekeeper for Euroclear and/or Clearstream, Luxembourg or (ii) if in CGN form, will be deposited on the relevant Issue Date with a depositary or a common depositary outside the United States on behalf of Euroclear and/or Clearstream, Luxembourg and/or any other agreed clearing system. Beneficial interests in a temporary global Note will be exchangeable for beneficial interests in a permanent global Note on or after the date falling not earlier than 40 days after the relevant issue date following certification of non-United States beneficial ownership. Notwithstanding the foregoing, each Tranche of Senior Notes having an original maturity of one year or less will initially be represented by one or more permanent global Notes deposited as aforesaid. Beneficial interests in a global Note will be credited to the securities clearance accounts of the owners of such beneficial interests with the relevant clearing system.

Beneficial interests in a permanent global Note will be exchangeable for security-printed Definitive Notes only in the limited circumstances described in Condition 2 (see "Terms and Conditions of the Notes — Definitive Notes").

Owners of beneficial interests in temporary global Notes and permanent global Notes will not be considered holders thereof for purposes of payment of principal and interest on such Notes (except in the limited circumstances described under "Issue Procedures") and for the purposes of Condition 9.

Type of Notes: The Notes may be Fixed Rate Notes, Fixed Rate Step-Up Notes, Floating Rate Notes, Range Accrual Notes or Zero Coupon Notes or any combination of these.

Fixed Rate Notes: Interest on Fixed Rate Notes will be payable in arrear on such date or dates as may be agreed upon by the Bank and the relevant Purchaser(s) and on redemption.

Interest in respect of Fixed Rate Notes will either be fixed amounts or be calculated on the basis of such Day Count Fraction (as defined in Condition 4(a) of the Terms and Conditions of the Notes) as may be agreed upon by the Bank and the relevant Purchaser(s).

Fixed Rate Reset Notes: Fixed Rate Reset Notes will bear interest calculated by reference to a fixed rate of interest for an initial period and thereafter by reference to a fixed rate of interest recalculated on certain dates and by reference to a mid-market swap rate, a benchmark gilt rate or a reference bond rate, as adjusted for any applicable margin, in each case as may be specified in the applicable Final Terms, such interest being payable in arrear on the date(s) in each year specified in the applicable Final Terms.

Fixed Rate Step-Up Notes:	Fixed Rate Step-Up Notes will pay interest at a fixed rate of interest, which increase periodically during the life of the Notes.
Floating Rate Notes:	Floating Rate Notes will bear interest on the basis of a reference rate (being either EURIBOR, NIBOR, CNH HIBOR, HIBOR, SONIA, €STR, SOFR, SARON, TONA, CMS Rate or SORA) appearing on the agreed screen page of a commercial quotation service or the relevant benchmark administrator's website.
Range Accrual Notes:	Range Accrual Notes will pay interest in respect of each Interest Period equal to the product of (i) either (a) a specified fixed rate or (b) a floating rate or a spread rate plus or minus a margin, as the case may be, and (ii) a relevant fraction, calculated as set out in the Conditions.
Types of Exempt Notes:	Exempt Notes may be Fixed Rate Notes, Fixed Rate Step-Up Notes, Floating Rate Notes, Range Accrual Notes or Zero Coupon Notes, Index Linked Notes, Dual Currency Notes, Partly Paid Notes, Instalment Notes and any other type of Exempt Note to be issued by the Bank will be agreed upon by the Bank and the relevant Purchaser(s) (as specified in the applicable Pricing Supplement).
Index Linked Notes:	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Index Linked Interest Notes and Index Linked Redemption Amount Notes (collectively, "**Index Linked Notes**" and individually, an "**Index Linked Note**") will be calculated by reference to such index and/or formula (which index or formula may, without limitation, refer to one or more equity or other securities or financial instruments, units or other securities of one or more companies or publicly or privately offered investment funds or portfolios, statistical measures of economic or financial performance, the price or value of any commodity or other asset, or any combination of the foregoing) as may be agreed upon by the Bank and the relevant Purchaser(s) (as specified in the applicable Pricing Supplement).
Other provisions in relation to Floating Rate Notes, Range Accrual and Index Linked Interest Notes:	Floating Rate Notes, Range Accrual Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes and Index Linked Interest Notes will be payable in arrear on the last day of each Interest Period as selected prior to issue by the Bank and the relevant Purchaser(s) and will be calculated on the basis of such Day Count Fraction (as defined in Condition 4(c) of the Terms and Conditions of the Notes) as may be agreed upon by the Bank and the relevant Purchaser(s) as indicated in the applicable Final Terms (or the Pricing Supplement in the case of Exempt Notes).
Dual Currency Notes:	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies and based on such rates of exchange as may be agreed upon by the Bank and the relevant Purchaser(s) (as specified in the applicable Pricing Supplement).

Interest Payment Date(s) or Interest Period(s):	Notes will have such interest payment date(s) or period(s) as may be agreed upon by the Bank and the relevant Purchaser(s) (as specified in the applicable Final Terms).
Benchmark Discontinuation (for Original Reference Rates other than SOFR unless Condition 4(n) is specified to be not applicable):	In the case of Notes with an Original Reference Rate required to calculate an Interest Rate (or a component thereof) other than SOFR or SARON (unless Condition 4(o) or 4(p), respectively, are specified to be not applicable in the applicable Final Terms) (or in the case of €STR or SARON, provided in the latter case that Condition 4(p) is specified to be applicable, where the €STR Fallbacks or SARON Fallbacks specified in Condition 4(c)(ii)(E) or 4(c)(ii)(G), respectively, do not enable the rate of interest (or a component thereof) to be determined), on the occurrence of a Benchmark Event the Bank may (subject to certain conditions and following consultation with an Independent Adviser (if any) (as defined in "*Terms and Conditions of the Notes*")) determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread and any Benchmark Amendments (and if the Bank is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, determined by the Bank itself) in accordance with Condition 4(n), without any requirement for any consent of approval of the Noteholders.
Benchmark Replacement (SOFR, SARON and €STR):	In the case of Notes with SOFR as the Original Reference Rate required to calculate an Interest Rate (or a component thereof), and where Condition 4(o) is specified to be applicable in the applicable Final Terms, on the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date has occurred, the then current benchmark will be replaced by a replacement rate (determined by the Bank or its designee in accordance with Condition 4(o)) for all purposes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Bank or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders. In the case of Notes with SARON as the Original Reference Rate required to calculate an Interest Rate (or a component thereof), and where Condition 4(p) is specified to be applicable in the applicable Final Terms, on the occurrence of a SARON Index Cessation Event and on a SARON Index Cessation Effective Date, the then current benchmark will be replaced by a replacement rate giving effect to an adjustment spread, if any (determined by the Bank in accordance with Condition 4(p)) for all purposes in respect of all determinations on such date and for all determinations on all subsequent dates). In connection with the implementation of a replacement rate, the Bank may also make SARON Benchmark Amendments without any requirement for consent or approval of Noteholders. If these specific fallback provisions

do not determine the rate of interest, the generic Benchmark Discontinuation provisions described above shall apply.

In the case of Notes with €STR as the Original Reference Rate required to calculate an Interest Rate (or a component thereof), on the occurrence of a €STR Index Cessation Event and on a €STR Index Cessation Effective Date, the then current benchmark will be replaced by a replacement rate giving effect to the ECB Recommended Rate (as defined in Condition 4(c)(ii)(E)); provided that if there is no such rate, the current benchmark will be replaced by a replacement rate giving effect to EDFR plus an adjustment spread; provided further that, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the current benchmark will be replaced by a replacement rate giving effect to the EDFR plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR over an observation period. If these specific fallback provisions do not determine the rate of interest, the generic Benchmark Discontinuation provisions described above shall apply.

Zero Coupon Notes: Zero Coupon Notes may be issued at their nominal amount or at a discount to their nominal amount and will not bear interest other than in relation to interest due after the Maturity Date. In the case of early redemption of Zero Coupon Notes, the Early Redemption Amount shall be determined either on the basis of compounding of the Accrual Yield or without any compounding of the Accrual Yield, as specified in the applicable Final Terms.

Other Notes: Terms applicable to Partly Paid Notes, Instalment Notes and any other type of Exempt Note to be issued by the Bank will be agreed upon by the Bank and the relevant Purchaser(s) (as specified in the applicable Pricing Supplement).

Redemption and Purchase: Except as provided in the immediately following sections, for taxation reasons, following an Event of Default, or, only if specified in the applicable Final Terms, for TLAC Disqualification Event, Illegality, Disruption Event or Administrator/Benchmark Event (each as defined below), Notes will not generally be redeemable prior to their stated maturity. Bail-inable Notes will continue to be subject to Bail-in Conversion (as defined below) prior to their repayment in full.

The applicable Final Terms relating to each Series of Notes will indicate whether the Notes may be redeemed prior to their stated maturity at the option of the Bank ("**Bank Call Option**") and/or the Noteholders ("**Noteholder Put Option**") on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as may be agreed upon by the Bank and the relevant Purchaser(s); provided that, where a redemption of Bail-inable Notes by the Bank would lead to a breach of the Bank's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent

	of Financial Institutions (Canada) (the "**Superintendent**"). A Noteholder Put Option is not applicable to Bail-inable Notes. In addition, Notes denominated in certain currencies may not be redeemed or purchased prior to any minimum time as may be required from time to time by the relevant monetary authority. Notes issued on terms that they must be redeemed before their first anniversary may be subject to restrictions on their denomination and distribution. See "Maturities" above. Bail-inable Notes will continue to be subject to a Bail-in Conversion prior to their repayment in full.
Early Redemption for Illegality:	If so specified in the applicable Final Terms (or the applicable Pricing Supplement in the case of Exempt Notes), in the event that the Bank determines in good faith that (i) the performance of its obligations under the Range Accrual Notes or (ii) any arrangements made to hedge under the Range Accrual Notes have or will become illegal, the Bank shall have the right to redeem the Range Accrual Notes at their Early Redemption Amount; provided that, where a redemption of Bail-inable Notes by the Bank would lead to a breach of the Bank's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.
Early Redemption for Disruption Event:	If so specified in the applicable Final Terms (or the applicable Pricing Supplement in the case of Exempt Notes), in the event of a Disruption Event, the Bank may redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption. In respect of Bail-inable Notes, where the redemption would lead to a breach of the Bank's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.
Early Redemption for Administrator/Benchmark Event:	If so specified in the applicable Final Terms (or the applicable Pricing Supplement in the case of Exempt Notes), Notes may at the option of the Bank be redeemed prior to maturity at any time, or may be adjusted (including the selection of one or more successor benchmarks and if applicable to reflect increased costs) following the occurrence of an Administrator/Benchmark Event, provided that, where a redemption of Bail-inable Notes by the Bank would lead to a breach of the Bank's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.
Early Redemption For TLAC Disqualification Event	If so specified in the applicable Final Terms (or the applicable Pricing Supplement in the case of Exempt Notes), Bail-inable Notes may be redeemed at the option of the Bank prior to maturity at any time on, or within 90 days following, the occurrence of a TLAC Disqualification Event, subject to prior approval of the Superintendent, as described in "*Terms and Conditions of the Notes — Redemption and Purchase — Redemption due to TLAC Disqualification Event*". Bail-inable Notes will

continue to be subject to a Bail-in Conversion prior to their repayment in full.

Denominations: Notes will be issued in such denominations as may be agreed upon by the Bank and the relevant Purchaser(s) and specified in the applicable Final Terms, save that the minimum denomination of each Note will be such 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 Specified Currency, and save that in the case of Notes which are to be admitted to trading on the Market or offered to the public in a Member State of the EEA or in the UK in circumstances which require the publication of a prospectus under the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable), or in respect of Exempt Notes, the minimum denomination of each Note will be EUR100,000 (or if the Notes are denominated in a currency other than the euro, the equivalent in such currency as at the date of issue of the Notes).

So long as the Notes are represented by a temporary global Note or a permanent global Note and the relevant clearing system(s) so permit, in the event that the Bank issues Notes with a minimum denomination of EUR100,000 (or its equivalent in other currencies at the date of issue) as provided in the applicable Final Terms, the Notes shall be tradeable only in the principal amounts of at least EUR100,000 (or its equivalent in other currencies) and higher integral multiples of at least 1,000 in the relevant currency as provided in the applicable Final Terms, notwithstanding that no definitive Notes will be issued with a denomination above 199,000 in such currency.

Taxation: All payments of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes or other charges imposed by any governmental authority or agency in Canada or, in the case of Senior Notes whose Branch of Account is located outside Canada, of the country in which such branch is located, except as provided in Condition 9 (see "Terms and Conditions of the Notes — Taxation"). For further analysis of Canadian taxation implications, including Canadian non-resident withholding tax, see "*Taxation – Canada*" starting on page 242.

If any interest payable on an Exempt Note, or any portion of the nominal amount of an Exempt Note in excess of its issue price, is to be calculated by reference to an index or formula, interest on such Exempt Note together with any such portion of principal may be subject to Canadian non-resident withholding tax. Additional opinions from Canadian tax counsel may be required. See " Taxation — Canada".

Status: The Senior Notes will constitute deposit liabilities of the Bank for purposes of the *Bank Act* (Canada) (the "**Bank Act**"). The Senior Notes will constitute legal, valid and binding unsubordinated and unsecured obligations of the Bank enforceable in accordance with their terms and will rank *pari passu* with all deposit and other unsubordinated liabilities

A15, 4.2(a), B
A15, 4.6, A

of the Bank (except as otherwise provided by law and subject to the exercise of bank resolution powers) and without preference among themselves.

Senior Notes that are Bail-inable Notes (as defined in Condition 3(b)) are subject to a Bail-in Conversion (as defined below) under subsection 39.2(2.3) of the CDIC Act and to variation or extinguishment in consequence and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes.

The Principal At Risk Notes are Senior Notes that are not principal protected.

The Senior Notes and Principal At Risk Notes will not be deposits insured under the CDIC Act.

Agreement with respect to the exercise of Canadian Bail-in powers in relation to Bail-inable Notes:

By acquiring Bail-inable Notes, each Noteholder (including each beneficial owner) is deemed to:

(i) agree to be bound, in respect of the Bail-inable Notes, by the CDIC Act, including the conversion of the Bail-inable Notes, in whole or in part – by means of a transaction or series of transactions and in one or more steps - into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and by the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a "**Bail-in Conversion**");

(ii) attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;

(iii) have represented and warranted to the Bank that the Bank has not directly or indirectly provided financing to the Noteholder for the express purpose of investing in the Bail-inable Notes; and

(iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Noteholder despite any provisions in the Conditions, any other law that governs such Bail-inable Notes and any other agreement, arrangement or understanding between such Noteholder and the Bank with respect to such Bail-inable Notes.

The applicable Final Terms (or the Pricing Supplement in the case of Exempt Notes) will indicate whether Senior Notes are Bail-inable Notes. All Bail-inable Notes are subject to Bail-in Conversion.

	Each holder or beneficial owner of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such holder or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the holders or beneficial owners that acquire an interest in the Bail-inable Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Bail-inable Notes related to the Bail-in Regime.
Events of Default for Senior Notes:	The terms of the Senior Notes provide for events of default which are limited to (a) non-payment for more than 30 business days of interest or principal; and (b) if the Bank becomes insolvent or bankrupt or subject to the provisions of the Winding-up and Restructuring Act (Canada) or any statute hereafter enacted in substitution therefor, as such statute, or any such substituted statute, may be amended from time to time, or if the Bank goes into liquidation, either voluntarily or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, is ordered wound-up or otherwise acknowledges its insolvency; provided that Noteholders may only exercise, or direct the exercise of, those rights to accelerate the Bail-inable Notes upon such an event where an order has not been made pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank and, notwithstanding the exercise of any right to accelerate the Bail-inable Notes, Bail-inable Notes will continue to be subject to a Bail-in Conversion until repaid in full. A Bail-in Conversion will not be an event of default.
Waiver of Set-Off – Bail-inable Notes:	Bail-inable Notes are not subject to set-off or netting rights.
Branch of Account:	For the purposes of the Bank Act, the main branch of the Bank in Toronto or London will take the deposits evidenced by the Senior Notes (as specified in the applicable Final Terms), but without prejudice to the provisions of Condition 6 (see "Terms and Conditions of the Notes — Payments"). Senior Notes, irrespective of the Branch of Account specified in the applicable Final Terms, are obligations of the Bank.
Negative Pledge:	None.
Cross Default:	None (see "Terms and Conditions of the Notes — Events of Default").
Rating:	This Programme has been rated by Moody's Canada, by S&P Canada and by Fitch. Notes issued under the Programme may be rated or unrated. When a Tranche of Notes is rated, such rating will be specified in the applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes) and will not necessarily be the same as the rating assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to

	revision or withdrawal at any time by the assigning rating agency. Investors may suffer losses if a credit rating assigned to the Notes does not reflect the then creditworthiness of such Notes.
Listing and Admission to Trading:	Application has been made for the Notes issued under the Programme during the 12 month period from the date of this Prospectus to be admitted to the Official List and to trading on the Market, which is a regulated market for the purposes of UK MiFIR. Additionally, application has been made for ISM Notes to be admitted to trading on the ISM. **The ISM is not a regulated market for the purposes of UK MiFIR. The ISM is a market designated for professional investors.** Exempt Notes which are designated in the relevant Pricing Supplement as being admitted to trading on the ISM are not admitted to listing on the Official List. Exempt Notes may be admitted to listing on, trading on and/or quotation by stock exchanges, listing authorities and/or quotation systems as may be agreed upon by the Bank and the relevant Purchaser(s) in relation to each issue. Exempt Notes which are neither listed nor admitted to trading on any market may also be issued. The relevant Final Terms (or Pricing Supplement, in the case of Exempt Notes, as the case may be) will specify on which market(s) the relevant Notes will be admitted to trading, if any, or whether or not such Notes have been admitted to trading on any stock exchange, listing authority and/or quotation system. The Bank is not under any obligation to Noteholders to maintain any listing of Notes and may, in good faith, determine that it is unduly onerous to maintain such listing and seek to terminate the listing of such Notes provided it uses its reasonable endeavours to obtain and maintain a listing of the Notes on some other major stock exchange (including a market which is not a Regulated Market or a market outside of the EEA or the UK) provided such stock exchange shall be commonly used for the listing and trading of debt securities in the international bond markets.
Governing Law and Jurisdiction:	The Notes will be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Ontario courts have non-exclusive jurisdiction in the event of litigation in respect of the Notes.
Non-United States Selling Restrictions:	There will be specific restrictions on the offer and sale of the Notes and the distribution of offering materials in Canada, the EEA (including Belgium, France, the Republic of Italy and The Netherlands), the UK, Hong Kong, Japan, the People's Republic of China, Singapore, Switzerland and Taiwan, as well as other restrictions as may be

	required in connection with a particular issue of Notes. See "Subscription and Sale".
United States Selling Restrictions:	The Bank is Category 2 for the purposes of Regulation S under the Securities Act and the Notes are not Rule 144A eligible. The Notes will be issued in compliance with the principles of United States Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor United States Treasury Regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**D Rules**") unless (i) the applicable Final Terms state that Notes are issued in compliance with United States Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor United States Treasury Regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**C Rules**") or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the applicable Final Terms as a transaction to which TEFRA is not applicable.
Clearing Systems:	Euroclear, Clearstream, Luxembourg and/or any other additional clearing system as agreed upon by the Bank and the relevant Purchaser.
Risk Factors	There are certain risks related to any issue of Notes under the Programme, which investors should ensure they fully understand. A non-exhaustive description of such risks is set out under "Risk Factors" from page 14 of this Prospectus.

RISK FACTORS

The Bank believes that the following factors which are specific to the Bank may affect its abilities to fulfil its obligations under, or in respect of the Notes issued under the Programme. In addition, certain factors, although not exhaustive, which the Bank believes are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Bank believes that the factors described below represent the material risks inherent in investing in Notes issued under the Programme, at the date of this Prospectus. If any or a combination of these risks actually occurs, the business, results or operation, financial condition and/or prospects of the Bank could be materially and adversely affected, which could result in the Bank being unable to pay interest, principal or other amounts on or in connection with any Notes issued by it or materially adversely affect the trading price of any such Notes issued under the Programme.

Prospective investors should note that the risks relating to the Bank summarised in this section are risks that the Bank believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Notes issued under the Programme and the Bank does not represent that the statements below regarding the risks of holding any Notes are exhaustive. As the risks which the Bank faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should also read the detailed information set out elsewhere in this Prospectus (including the documents incorporated by reference) to reach their own views prior to making any investment decisions.

A. Risks relating to the Bank

Banking and financial services involve a number of risks. Prospective investors should carefully consider the following categories of risks to which the Bank's businesses are exposed. There are numerous factors, many beyond the Bank's control, which could cause the Bank's results to differ significantly from those anticipated. These risks include the following:

1. Credit and counterparty risk is the potential for credit loss due to the failure of an obligor (i.e. a borrower, endorser, guarantor or counterparty) to repay a loan or honour another predetermined financial obligation. Credit and counterparty risk underlies every lending activity that the Bank enters into, and also arises in the holding of investment securities, transactions related to trading and other capital markets products and activities related to securitisation. Credit risk and counterparty risk represent the most significant measurable risks that the Bank faces. Proper management of credit risk is integral to the Bank's success, since failure to effectively manage credit risk could have an immediate and significant impact on the Bank's earnings, financial condition and reputation.

2. Market risk is the potential for adverse changes in the value of the Bank's assets and liabilities resulting from changes in market variables such as interest rates, foreign exchange rates, equity and commodity prices and their implied volatilities, and credit spreads, and includes the risk of credit migration and default in the Bank's trading book. Market risk arises from the Bank's trading and underwriting activities, as well as its structural banking activities. The magnitude and importance of these activities to the Bank, along with the potential volatility of market variables, call for diligent governance and a robust market risk management framework that seeks to provide effective identification, measurement, reporting and control of market risk exposures.

3. Insurance risk is the potential for loss as a result of actual experience differing from that assumed when an insurance product was designed and priced and comprises claims risk, policyholder behaviour risk and expense risk. Insurance risk generally entails the inherent unpredictability that

can arise from the assumption of long-term policy liabilities or uncertainty regarding future events. Insurance provides protection against the financial consequences of insured risks by transferring those risks to the insurer (under specific terms and conditions) in exchange for premiums. Insurance risk is inherent in all of the Bank's insurance products: life insurance, annuities (which include the pension risk transfer business), accident and sickness insurance, and creditor insurance, as well as the Bank's reinsurance business.

4. Liquidity and funding risk is the potential for loss if the Bank is unable to meet its financial commitments in a timely manner at reasonable prices as they become due. Financial commitments include liabilities to depositors and suppliers, as well as lending, investment and pledging commitments. Any failure by the Bank to effectively manage this risk could have a material adverse effect on its operations and/or result in difficulty in meeting its obligations under the Notes.

5. Operational non-financial risk ("**ONFR**") encompasses a wide range of non-financial risks, including those related to business change, customer trust, reputation and data, all of which can result in financial loss. These losses can stem from inadequate or failed internal processes or systems, human error or misconduct, and external events that may directly or indirectly impact the fair value of assets the Bank holds in its credit or investment portfolios. Examples of these risks include cyber and cloud security risk, technology risk, fraud risk, business continuity risk and human resources risk, but exclude legal and regulatory risk, credit risk, market risk, liquidity risk and other types of financial risk. ONFR is inherent in all of the Bank's business and banking activities and can lead to significant impacts on the Bank's operating and financial results, including financial loss, restatements of financial results and damage to the Bank's reputation. Like other financial services organisations that operate in multiple jurisdictions, the Bank is exposed to a variety of operational risks arising from the potential for failures of the Bank's internal processes, technology systems and employees, as well as from external threats. Potential losses may result from process and control failures, theft and fraud, unauthorised transactions by employees, business disruption, information security breaches, cybersecurity threats, exposure to risks related to third-party relationships, and damage to physical assets. Given the large volume of transactions the Bank processes on a daily basis, and the complexity and speed of the Bank's business operations, there is a possibility that certain operational or human errors may be repeated or compounded before they are discovered and rectified. ONFR is not only inherent in the Bank's business and banking activities, it is also inherent in the processes and controls used to manage the Bank's risks. There is the possibility that errors could occur, as well as the possibility that a failure in the Bank's internal processes or systems could lead to financial loss and reputational harm. Shortcomings or failures of the Bank's internal processes, systems or employees, or of services and products provided by third parties, including any of the Bank's financial, accounting or other data processing systems, could lead to financial loss, restatements of financial results and damage the Bank's reputation. The nature of the Bank's business activities also exposes it to the risk of theft and fraud when it enters into credit transactions with customers or counterparties. In extending credit, the Bank relies on the accuracy and completeness of any information provided by, and any other representations made by, customers and counterparties. While the Bank conducts appropriate due diligence in relation to such customer information and, where practicable and economically feasible, engages valuation experts and other experts or sources of information to assist in assessing the value of collateral and other customer risks, the Bank's financial results may be adversely impacted if the information provided by customers or counterparties is materially misleading and this is not discovered during the due diligence process.

6. Legal and regulatory risk is the potential for loss or harm resulting from failure to comply with laws or satisfy contractual obligations or regulatory requirements. This includes the risk arising from any failure to: comply with the law (in letter or in spirit) or maintain standards of care; implement legal or

regulatory requirements; enforce or comply with contractual terms; assert non-contractual rights; effectively manage disputes; or act in a manner so as to maintain the Bank's reputation. The success of the Bank's business relies in part on its ability to manage its exposure to legal and regulatory risk. The financial services industry is highly regulated and subject to strict enforcement of legal and regulatory requirements. Banks globally continue to be subject to fines and other penalties for a number of regulatory and conduct issues and the Bank is exposed to risks in connection with regulatory and governmental inquiries, investigations and enforcement actions and criminal prosecutions. Heightened regulatory and supervisory scrutiny has a significant impact on the way the Bank conducts business. Certain businesses are also subject to fiduciary requirements, including policies and practices that address the responsibilities of a business to a customer, such as service requirements and expectations, customer suitability determinations, disclosure obligations and communications. The Bank is subject to legal proceedings, including investigations by regulators, arising in the ordinary course of business, and the unfavourable resolution of any such legal proceedings could have a material adverse effect on the Bank's business, financial condition, results of operations, cash flows, capital position or credit ratings; require material changes in its operations; result in loss of customers; and damage to its reputation. The volume of legal proceedings and the amount of damages and penalties assessed in such legal proceedings could increase in the future. Information regarding material legal proceedings to which the Bank is a party is included in the Legal Proceedings section in Note 24 of the 2022 Financial Statements. In assessing the materiality of legal proceedings, factors considered include a case-by-case assessment of specific facts and circumstances, the Bank's past experience and the opinions of legal experts. However, some legal proceedings may be highly complex, and may include novel or untested legal claims or theories. The outcome of such proceedings may be difficult to anticipate until late in the proceedings, which may last several years. Criminal risk is the potential for loss or harm resulting from failure to comply with criminal laws, which could include acts by employees against the Bank, acts by external parties against the Bank and acts by external parties using the Bank to engage in unlawful conduct, such as fraud, theft, money laundering, violence, cyber-crime, bribery and corruption. Failure to comply with applicable legal and regulatory requirements may result in legal proceedings, financial losses, regulatory sanctions, enforcement actions, criminal convictions and penalties, an inability to execute its business strategies, a decline in investor and customer confidence, and damage to the Bank's reputation.

7. Strategic risk is the potential for financial loss or other types of harm due to changes in the external business environment and failure to respond effectively to these changes as a result of inaction, inappropriate strategies or poor implementation of strategies. Strategic risk also includes business risk, which arises from the specific business activities of the enterprise, and the effects these could have on its earnings. Strategic risk arises from external risks inherent in the business environment within which the Bank operates (including economic, geo-political, regulatory, technological, social and competitive risks), as well as from the potential financial loss or other negative impacts that the Bank could experience if the Bank is unable to address those external risks effectively. Business risk, as a component of strategic risk, encompasses the potential causes of earnings volatility that are distinct from credit, market or non financial risk factors. The Bank's profitability, and hence value, may be eroded by changes in the business environment or by failures of strategy or execution due to changing client expectations, the inability to correctly identify client expectations, or relatively ineffective strategic responses to industry changes. The ability to implement the strategic plans developed by management influences the Bank's financial performance.

8. Environmental and social ("**E&S**") risk is the potential for loss or harm, directly or indirectly resulting from E&S factors that impact the Bank or its customers, and the Bank's impact on the environment and society. In recognition of its unique characteristics E&S risk is classified in the Bank's Risk Taxonomy as a transverse risk that may arise over a range of time frames, from short-term to long-

term. Factors that may give rise to E&S risk include, but are not limited to: climate change; pollution and waste; energy, water and other resource usage; biodiversity and land use; human rights; diversity, equity and inclusion; labour standards, community health; safety and security; land acquisition and involuntary resettlement; Indigenous peoples' rights and cultural heritage. The Bank may be directly exposed to E&S risk associated with the ownership and operation of its businesses, which involve the management and operation of real estate owned or leased by it. The Bank may be indirectly exposed to the risk of financial loss or reputational harm if its customers, suppliers or clients are affected by E&S factors such that they are unable to meet their financial or other obligations to it. E&S factors may also give rise to the risk of reputational harm, for instance if the Bank is perceived not to respond effectively to those factors or to cause, contribute or be linked to adverse impacts on the environment or society.

9. Reputation risk is the potential for loss or harm to the Bank's brand. It can arise even if other risks are managed effectively. The Bank's reputation is built on its commitment to high standards of business conduct, and is one of its most valuable assets. Significant damage to the Bank's brand could reduce demand for its products and services which could have a material adverse effect on its result of operations.

10. Credit and counterparty, market, insurance, liquidity and funding, operational non-financial, legal and regulatory, strategic, E&S, and reputation risks, as well as other risks that may affect the Bank's future results, are discussed more extensively in the Enterprise-Wide Risk Management section on pages 73 to 113 of the Bank's 2022 MD&A (excluding any cross-references therein).

B. Industry and non-company factors

1. *General Economic Conditions*

The Bank's earnings are affected by the general economic conditions prevailing in Canada, the United States and other jurisdictions in which the Bank conducts business.

In the past year, global economies continued to recover from the effects of the COVID-19 pandemic. The Canadian economy outperformed global peers at the start of 2022, whereas in the United States, real GDP growth began to slow early in the year. Across North America, growth is slowing due to aggressive monetary tightening, weaker global demand, rising interest rates, supply constraints, labour shortages and high inflation rates. However, one partial offsetting factor is that households have retained a significant amount of the savings they accumulated during the COVID-19 pandemic, which is supporting pent-up demand for travel, in-person services and motor vehicles. The recovery faces headwinds generated by ongoing disruptions to global supply chains, the conflict in Ukraine, COVID-19 restrictions in China, volatile oil and natural gas prices, price and wage inflation and labour market challenges. Rising geopolitical tensions are expected to contribute to a decline in growth rates in North American economies through the coming year. The Bank continues to review the economic environment in which it operates to identify significant changes in key economic indicators and the impact on its operations.

Any of these factors could have a material adverse effect on the Bank's business operations, performance and/or financial position.

2. Cyber and Cloud Security Risk

The Bank's exposure to banking cybersecurity risks arises from the ever-increasing reliance on internet and cloud technologies, coupled with the remote or hybrid work environment and extensive dependence on advanced digital technologies to process data. Heightened geopolitical tensions are also contributing

to elevated global exposures to cybersecurity risks. These risks include the threat of data loss resulting in potential exposure of customer or employee information, identity theft and fraud. Ransomware or denial of service attacks could result in system failure and service disruption. Threat campaigns are becoming better organised and more sophisticated, with reported data breaches, often through third-party suppliers, that can negatively impact the company's brand and reputation. The materialisation of such risk whether by service disruption, reputational damage or otherwise arising therefrom could have a material adverse effect on the Bank's business operations, performance and/or financial position.

3. Technology Resiliency

As the adoption of digital banking continues to grow the Bank continues to invest in innovative enhancements to its technological capabilities in order to meet customers' expectations and to keep their data secure. The Bank's customers, employees and suppliers have increasingly come to rely on technology platforms and the 'Internet of Things' to manage and support their personal, business and investment banking activities. Given the extent to which the Bank's operations rely on technology, it is important to maintain platforms that can function at high levels of operational reliability and resiliency, particularly with respect to business-critical systems. If the Bank fails to keep pace with the evolution of digital banking and to meet customer expectations with regards to technology more generally, including in respect of data security, it may harm the Bank's reputation and may affect the Bank's competitiveness, its market shares, its growth potential, its customer base and, consequently, could have a material adverse effect on its business, financial condition and results of operations.

4. *Geopolitical Risk and Escalating Trade Disputes*

The escalation of geopolitical tensions in Europe caused by the conflict in Ukraine is having significant global effects, including high energy prices and the erosion of business confidence. Sanctions imposed on Russia by Ukraine's allies have also aggravated supply shortages, particularly energy, across the global economy. Trade tensions between China and the United States remain elevated, as the competition for technology dominance intensifies and both the United States and China seek to lessen economic dependence on each other. This could adversely affect business investment, and could prove especially problematic for commodity-producing countries such as Canada. Trade disputes have also arisen between Canada and China over the past several years. Within North America, the Canada-United States-Mexico Agreement (CUSMA) has reduced, but not eliminated, uncertainty about continental trading arrangements and disputes between the three countries. Although it is difficult to predict and mitigate the potential economic and financial effects of trade-related events on the Canadian and U.S. economies, the Bank actively monitors global and North American trends and continually assess its businesses in the context of these trends. Should negative developments occur, this could have a material adverse effect on the Bank's business, financial condition and results of operations.

5. *Benchmark Interest Rate Reform*

The transition from London interbank offered rates (LIBORs) and other interbank offered rates (IBORs) to alternative reference rates (ARRs) continues. The Bank transitioned all sterling, euro, Swiss franc Japanese yen and one-week and two-month USD LIBOR exposures to ARRs in advance of the December 31, 2021 discontinuation of these rates. In addition, the Bank ceased issuing new USD LIBOR-based loans and instruments after December 31, 2021, except in permitted circumstances, in compliance with U.S. prudential regulatory supervisory guidance. As the June 30, 2023 cessation date for the remaining USD LIBOR settings approaches, overall USD LIBOR exposures are being reduced by the Bank, except for fluctuations due to permitted derivatives activity to off-set existing LIBOR risk. Existing USD LIBOR derivative exposures are expected to largely transition when central counterparties convert existing LIBOR derivatives to Secured Overnight Financing Rate derivatives by the cessation

date. On December 16, 2021, the Canadian Alternative Reference Rate working group (CARR) recommended the administrator, Refinitiv Benchmark Services UK Limited (RBSL), cease publication of Canadian Dollar Offered Rate (CDOR) settings immediately after June 28, 2024, using a two-stage transition approach. By the end of the first stage on June 30, 2023, CARR expects that all new derivative contracts and securities will use the Canadian Overnight Repo Rate Average (CORRA), with the exception of derivatives that hedge or reduce CDOR exposures from derivatives, or securities transacted before June 30, 2023 or loan agreements entered into before June 28, 2024. All remaining CDOR exposures should then be transitioned to CORRA by June 28, 2024, marking the end of the second stage. On May 16, 2022, following public consultation, RBSL announced all remaining CDOR settings will cease publication immediately after June 28, 2024, in line with CARR recommendations. The Bank's IBOR Transition Office (ITO) adjusted all affected project plans as a result of the RBSL announcement.

Transition efforts in connection with these reforms are complex, with significant risks and challenges that could result in increased volatility, pricing changes or illiquidity in markets for instruments that currently rely on IBORs. The transition could have adverse consequences for all market participants, including the Bank as both a holder and an issuer of IBOR-based instruments, such as the potential for heightened exposure to financial, non-financial, legal and regulatory, and reputation risks.

See also the Risk Factors "Floating Rate and Range Accrual Notes linked to "benchmarks" such as EURIBOR and other benchmark indices", "Benchmark Discontinuation under the Conditions" "The market continues to develop in relation to SONIA and TONA as reference rates", "The market continues to develop in relation to €STR as a reference rate", "SOFR may be more volatile than other Benchmark or Market Rates", "Any failure of SOFR to gain market acceptance could adversely affect the Notes", "The Interest Rate on SOFR-Referenced Notes is based on a Compounded SOFR Rate and the SOFR Index, which may not be widely adopted and may adversely affect the market value of SOFR-Referenced Notes", "Compounded SOFR with respect to a particular Interest Period will only be capable of being determined near the end of the relevant Interest Period", "The SOFR Index may be modified or discontinued, which could adversely affect the value of SOFR-referenced Notes" and "The market continues to develop in relation to SARON as a reference rate".

6. Climate Change and Other Environmental and Social Risks

The Bank is exposed to risks related to environmental events and extreme weather conditions that could potentially disrupt the Bank's operations, impact its customers and counterparties, and result in lower earnings and higher losses. Factors contributing to heightened environmental risks include the impacts of climate change and the continued intensification of development in areas of greater environmental sensitivity. The Bank is also exposed to risks related to borrowers that may experience financial losses or increases in operating costs as a result of climate-related litigation or policies, such as carbon emissions pricing, or that may experience a decline in revenue as new and emerging technologies disrupt or displace demand for certain commodities, products and services. Legal and regulatory, business or reputation risks could arise from the Bank's actual or perceived actions, or inaction, in its operations and those of its customers in relation to climate change and other E&S risk issues, or its disclosures related to these matters. Risks related to these issues could also affect the Bank's customers, suppliers or other stakeholders, which could give rise to new business or reputation risks. Globally, climate-related litigation or enforcement measures could arise from new and more stringent obligations to manage and report climate-related risks. Any failure by the Bank in effectively managing these risks could have a material adverse effect on its operations and/or result in difficulty in meeting its obligations under the Notes.

7. Canadian Housing Market and Consumer Leverage

Household debt and housing affordability risks are elevated. Successive hikes in interest rates by central banks have primed the housing market for a correction through to 2023 and are slowing demand. Although housing prices have started to decline, the annual income needed to buy a home has increased significantly due to rising mortgage rates. In addition, the COVID-19 pandemic may have caused permanent changes in consumer behaviours and preferences, as well as changes in how and where work is performed, including the widespread adoption of remote working arrangements. These changes could lead to structural shifts in the demand for housing based on geographic and other characteristics, and could dampen sales activity, home prices and property values within the Bank's current mortgage portfolio. Housing affordability continues to be a challenge, especially in the Greater Toronto Area ("**GTA**") and Greater Vancouver Area ("**GVA**") and their surrounding regions, and represents an ongoing barrier to entry for potential first-time homebuyers. Although unemployment rates remain historically low, inflation and higher interest rates are putting a strain on household budgets, which is reducing overall household purchasing power. Further increases in interest rates, if material, could pressure the finances of households with adjustable-rate mortgages, variable-rate loans that reach their "trigger rate" where the payment no longer covers interest on the loan, and fixed-rate loans that come up for renewal. Prolonged economic uncertainty could also cause households to continue to focus on building savings. Reductions in home sales activity, particularly in the GTA and GVA, would impact mortgage origination volumes, while lower property values could result in higher provisions for credit losses which could have a material adverse effect on the Bank's earnings and financial position.

8. Inflation

Inflation rates in North America have increased sharply during 2022 and are expected to decline slowly over time. Central banks began to implement corrective measures through a series of interest rate increases in 2022. Further interest rate increases will put additional pressure on the Bank's customers and increase the risk of an economic recession in North America. Higher inflation rates are having an impact on both the Bank's operations and the operations of its clients, and could have a negative effect on the Bank's earnings through higher provisions for credit losses and higher operating costs. The Bank continues to monitor inflationary pressures in North America and assess any potential effects on its portfolios, interest margins and operating costs. Further and/or continued inflationary pressure could have a material adverse effect on the Bank's business, financial condition and results of operations.

9. Fiscal and Monetary Policies and Other Economic Conditions in the Countries in which the Bank Conducts Business

The Bank's earnings are affected by the fiscal and monetary policies and other economic conditions prevailing in Canada, the United States and other jurisdictions in which the Bank conducts business. These policies and conditions may reduce profitability and increase economic uncertainty in specific businesses and markets, which may affect the Bank's customers and counterparties, and potentially contribute to a greater risk of default. Changes in fiscal and monetary policies are difficult to predict. Higher levels of government and business debt resulting from the COVID-19 pandemic may create future vulnerabilities that could impact the Bank's markets and its operating results. Interest rate fluctuations in interest rates could have an impact on the Bank's earnings the value of the Bank's investments, the credit quality of the Bank's loans to customers and counterparty exposure, and the capital markets that the Bank accesses. Canadian dollar value changes relative to the other currencies have affected and could continue to affect the business operations and results of the Bank's clients with significant earnings or input costs denominated in foreign currencies. The Banks' foreign operation investments are primarily denominated in U.S. dollars, and the foreign exchange impact of U.S. dollar-denominated risk -weighted assets and capital deductions may result in variability in the Bank's capital

ratios. The value of the Canadian dollar relative to the U.S. dollar will also affect the contribution of the Bank's U.S. operations to Canadian dollar profitability. Hedging positions may be taken to manage interest rate exposures and foreign exchange impacts, and to partially offset the effects of Canadian dollar/U.S. dollar exchange rate fluctuations on the Bank's financial results. Should negative developments occur, this could have a material adverse effect on the Bank's business, financial condition and results of operations.

10. Regulatory Requirements

The financial services industry is highly regulated, and the Bank has experienced increasing complexity in regulatory requirements and expectations as governments and regulators around the world continue to pursue major reforms intended to strengthen the stability of the financial system and protect key markets and participants. Consequently there is the potential for increases in regulatory capital requirements and additional compliance costs, which could lower returns and affect growth. These reforms could also affect the cost and availability of funding and the level of the Bank's market-making activities. Regulatory reforms may also impact fees and other revenues for certain of the Bank's operating groups. In addition, differences in laws and regulations enacted by a range of national regulatory authorities may provide advantages to the Bank's international competitors that could affect its ability to compete.

Failure to comply with applicable legal and regulatory requirements and expectations could result in legal proceedings, financial losses, regulatory sanctions, enforcement actions, criminal convictions and penalties, an inability to execute the Bank's business strategies, a decline in investor and customer confidence and damage to the Bank's reputation. If any of the risks set out above were realised, this could have a significant adverse effect on the Bank's business operations, its performance and/or its financial position.

11. Tax Legislation and Interpretations

Legislative changes and changes in tax policy, including their interpretation by tax authorities and the courts, may impact the Bank's earnings. Tax laws, as well as interpretations of tax laws and policy by tax authorities, may change as a result of efforts by the Canadian and U.S. federal governments, other G20 governments and the Organisation for Economic Co-operation and Development ("**OECD**") to increase taxes, broaden the tax base globally and improve tax-related reporting. For example, the Canadian government introduced legislation related to tax measures that would be applicable to certain Canadian companies in a bank or life insurer group, including a one-time 15 per cent. tax (referred to as the Canada Recovery Dividend, or CRD) and a permanent 1.5 per cent. increase in the tax rate, and has proposed to adopt the OECD Pillar 2 Model Rules, which will levy a 15 per cent. minimum tax on operations globally. Changes in taxation regulations which increase the level of the tax payable by the Bank will affect the Bank's financial results and, consequently, could have a material adverse effect on its business, financial condition and results of operations.

12. Bank of the West acquisition

On February 1, 2023, the Bank completed the acquisition of Bank of the West from BNP Paribas S.A. for a cash purchase price of US$13.4 billion, reflecting dividends from Bank of the West to BNP Paribas S.A. and other closing adjustments. The Bank remains subject to several risks in connection with its completed acquisition of Bank of the West. Such risks include, but are not limited to: the risk that the Bank may be unable to realise, in the anticipated time frame, the benefits anticipated from the transaction, such as it being accretive to adjusted earnings per share and creating synergy opportunities as a result of changes in general economic and market conditions, interest and exchange rates,

monetary policy, laws and regulations (including changes to capital requirements) and their enforcement, and the degree of competition in the geographic and business areas in which Bank of the West currently operates, as well as other risks identified below, including those related to the integration and post-closing performance of Bank of the West; the risk that the business of Bank of the West may not perform as expected, or in a manner consistent with historical performance; the risk that the Bank may not be able to promptly and effectively integrate Bank of the West and that the costs of integration may be higher than expected; the risk that the Bank's fair value management actions are not effective or result in unforeseen consequences; reputational risks and the reaction of Bank of the West's customers and employees to the transaction; the risk of increased exposure to regional economic and other issues as a result of expanding the Bank's presence in the United States; risks related to increased exposure to exchange rate fluctuations; and the risk that the Bank's predictions, forecasts, conclusions or projections in connection with the transaction will not prove to be accurate, that the Bank's assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections. Any of these and other risks in connection with the acquisition of Bank of the West could adversely impact the Bank's financial results or strategic direction.

13. Changes to Business Portfolio

The Bank may, from time to time, acquire companies, businesses and assets as part of its overall business strategy. The Bank will conduct thorough due diligence before completing such acquisitions. However, some acquisitions may not perform in line with the Bank's financial or strategic objectives or expectations. The Bank's ability to successfully complete an acquisition may be subject to regulatory and shareholder approvals and it may not be possible to determine when, if or on what terms the necessary approvals will be granted. Changes in the competitive and economic environment, as well as other factors, may result in reductions in revenue or profitability, while higher than anticipated integration costs and failure to realise expected cost savings after an acquisition could also adversely affect the Bank's earnings. Integration costs may increase because of regulatory costs related to an acquisition, operational loss events, other unanticipated expenses that were not identified in the due diligence process or demands on management time that are more significant than anticipated, as well as unexpected delays in implementing certain plans that in turn lead to delays in achieving full integration. Successful post-acquisition performance depends on retaining the clients and key employees of acquired companies and businesses and on integrating key systems and processes without disruption, and there can be no assurance that the Bank will always succeed in doing so. Such failure on the part of the Bank could have a material adverse effect on the Bank's business, financial condition and results of operations and may consequently affect the Bank's ability to make payments under the Notes.

The Bank also evaluates potential dispositions of assets and businesses that may no longer meet the Bank's strategic objectives. When the Bank sells assets or withdraws from a business, the Bank may encounter difficulty in finding buyers or alternative exit strategies on acceptable terms or in a timely manner, which could delay the achievement of strategic objectives. The Bank may also dispose of assets or a business on terms that are less desirable than anticipated or result in adverse operational or financial impacts, or greater disruption than expected, and the impact of the divestiture on revenue growth may be larger than projected. Dispositions may be subject to the satisfaction of conditions and the granting of governmental or regulatory approvals on acceptable terms, which, if not satisfied or obtained, may prevent the completion of a disposition as intended, or at all. Any such delay, failure or deficiency in the Bank's dispositions could have a material adverse effect on the Bank's business, financial condition and results of operations and may consequently affect the Bank's ability to make payments under the Notes.

14. Critical Accounting Estimates and Accounting Standards

The Bank prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"). Changes that the IASB makes from time to time may materially affect the way the Bank records and reports financial results.

The application of IFRS requires management to make significant judgments and estimates that affect the carrying amounts of certain assets and liabilities, certain amounts reported in net income and other related disclosures. In making these judgments and estimates, the Bank relies on the best information available at the time. However, it is possible that circumstances may change, new information may become available or that the Bank's models may prove to be imprecise.

The Bank's financial results could be affected for the period during which any such new information or change in circumstances becomes apparent, and the extent of the impact could be significant and could have a material adverse effect on the Bank's financial condition and may consequently affect the Bank's ability to make payments under the Notes.

15. *Technological Innovation and Competition*

Advancement of technological capabilities is shaping the future of everyday banking for individuals and businesses. The change in customers' behaviour and preferences for on-demand banking in recent years has led to significant progress open banking, an increase in the use of digital currencies, a growing number of non-bank financial service providers and more banking options for customers and businesses. This shift in the financial services ecosystem creates risks for the Bank, including direct competition with technology companies. The Bank closely monitors evolving technologies and practices in the financial services industry, and is developing new risk management approaches to identify and manage these risks. Any failure to remain competitive and to manage these risks effectively could have a material adverse effect on the Bank's results of operations.

C. Risks relating to the Notes

1. Risks applicable to Bail-inable Notes

Bail-inable Notes will be subject to risks, including non-payment in full or conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates, under Canadian bank resolution powers.

Notes that are Bail-inable Notes (as defined below) are subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and to variation or extinguishment in consequence and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. Notwithstanding any other terms of the Bank's liability, any other law that governs the Bank's liability and any other agreement, arrangement or understanding between the parties with respect to the Bank's liability, each holder or beneficial owner of an interest in the Bail-inable Notes is deemed to be bound by the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes and is deemed to attorn to the jurisdiction of the courts in the Province of Ontario in Canada.

Certain provisions of and regulations under the Bank Act, the CDIC Act and certain other Canadian federal statutes pertaining to banks (collectively, the "**Bail-in Regime**"), provide for a bank

recapitalisation regime for banks designated by the Superintendent as domestic systemically important banks ("**D-SIBs**"), which include the Bank.

The expressed objectives of the Bail-in Regime include reducing taxpayer exposure in the unlikely event of a failure of a D-SIB, reducing the likelihood of such a failure by increasing market discipline and reinforcing that bank shareholders and creditors are responsible for the D-SIBs' risks and not taxpayers, and preserving financial stability by empowering the Canada Deposit Insurance Corporation ("**CDIC**"), Canada's resolution authority, to quickly restore a failed D-SIB to viability and allow it to remain open and operating, even where the D-SIB has experienced severe losses.

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the Bank Act, the Superintendent, after providing the Bank with a reasonable opportunity to make representations, is required to provide a report to CDIC. Following receipt of the Superintendent's report, CDIC may request the Minister of Finance for Canada (the "**Minister of Finance**") to recommend that the Governor in Council (Canada) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) make, and on such recommendation, the Governor in Council (Canada) may make, one or more Orders including a Conversion Order (see *"Risks related to the Notes generally – Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Bank where a determination is made that the Bank has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Notes being exposed to losses"*).

Upon the making of a Conversion Order, prescribed shares and liabilities under the Bail-in Regime that are subject to that Conversion Order will, to the extent converted, be converted into common shares of the Bank or any of its affiliates, as determined by CDIC (a "**Bail-in Conversion**"). Subject to certain exceptions discussed below, the Bail-in Regime provides that senior debt issued on or after September 23, 2018, with an initial or amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and that has been assigned a CUSIP or ISIN or similar identification number is subject to a Bail-in Conversion. Shares, other than common shares, and subordinated debt of the Bank will also be subject to a Bail-in Conversion, unless they are non-viability contingent capital. All Senior Notes that are subject to Bail-in Conversion will be identified as Bail-inable Notes in the applicable Final Terms (or the Pricing Supplement in the case of Exempt Notes) ("**Bail-inable Notes**").

Covered bonds, derivatives and certain structured notes (as such term is used under the Bail-in Regime) are expressly excluded from a Bail-in Conversion. To the extent that any Notes constitute structured notes (as such term is used under the Bail-in Regime) they will not be Bail-inable Notes and will not be identified as Bail-inable Notes in the applicable Final Terms (or the Pricing Supplement in the case of Exempt Notes). As a result, claims of some creditors whose claims would otherwise rank equally with those of the holders of Bail-inable Notes would be excluded from a Bail-in Conversion and thus the holders and beneficial owners of Bail-inable Notes will have to absorb losses ahead of these other creditors as a result of the Bail-in Conversion while other creditors may not be exposed to losses.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Bank, this could result in holders or beneficial owners of Bail-inable Notes being exposed to conversion of the Bail-inable Notes in whole or in part. Upon a Bail-in Conversion, the holders of Notes ("**Noteholders**") holding Bail-inable Notes that are converted will be obligated to accept the common shares of the Bank or any of its affiliates into which such Bail-inable Notes, or any portion thereof, are converted even if

such Noteholders do not at the time consider such common shares to be an appropriate investment for them, and despite any change in the Bank or any of its affiliates or the fact that such common shares are issued by an affiliate of the Bank or any disruption to or lack of a market for such common shares or disruption to capital markets generally. The terms and conditions of the Bail-in Conversion will be determined by CDIC in accordance with and subject to certain requirements discussed below (see *"The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Bank or one of its affiliates"* below). See also *"Risks related to the Notes generally - Investors who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued"* below for a risk of partial conversions.

As a result, holders of Bail-inable Notes should consider the risk that they may lose all or part of their investment, plus any accrued interest or additional amounts, if CDIC were to take action under the Canadian bank resolution powers, including the Bail-in Regime, and that any remaining outstanding Notes, or common shares of the Bank or any of its affiliates into which Bail-inable Notes are converted, may be of little value at the time of a Bail-in Conversion and thereafter.

Bail-inable Notes will provide only limited acceleration and enforcement rights for the Bail-inable Notes and will include other provisions intended to qualify such Notes as TLAC.

In connection with the Bail-in Regime, the Office of the Superintendent of Financial Institutions' ("**OSFI**") guideline as interpreted by the Superintendent (the "**TLAC Guideline**") on Total Loss Absorbing Capacity ("**TLAC**") applies to and establishes standards for D-SIBs, including the Bank. Under the TLAC Guideline, beginning November 1, 2021, the Bank is required to maintain a minimum capacity to absorb losses composed of unsecured external long-term debt that meets the prescribed criteria or regulatory capital instruments to support recapitalisation in the event of a failure. Bail-inable Notes and regulatory capital instruments that meet the prescribed criteria will constitute TLAC of the Bank.

In order to comply with the TLAC Guideline, Bail-inable Notes must provide for terms and conditions necessary to meet the prescribed criteria and qualify at their issuance as TLAC instruments of the Bank under the TLAC Guideline. Those criteria include, among others, the following:

- the Bank cannot directly or indirectly have provided financing to any person for the express purpose of investing in the Bail-inable Notes;

- the Bail-inable Notes are not subject to set-off or netting rights;

- the Bail-inable Notes must not provide rights to accelerate repayment of principal or interest payments outside of bankruptcy, insolvency, wind-up or liquidation, except that events of default relating to the non-payment of scheduled principal and/or interest payments will be permitted where they are subject to a cure period of no less than 30 business days and clearly disclose to investors that: (i) acceleration is only permitted where an Order (as defined below) has not been made in respect of the Bank; and (ii) notwithstanding any acceleration, the instrument could still be subject to a Bail-in Conversion prior to its repayment;

- the Bail-inable Notes may be redeemed or purchased for cancellation (as applicable) only at the initiative of the Bank and, where the redemption or purchase would lead to a breach of the Bank's minimum TLAC requirements, that redemption or purchase would be subject to the prior approval of the Superintendent;

- the Bail-inable Notes do not have credit-sensitive dividend or coupon features that are reset periodically based in whole or in part on the Bank's credit standing; and

- where an amendment or variance of the Bail-inable Notes' terms and conditions would affect its recognition as TLAC, such amendment or variance will only be permitted with the prior approval of the Superintendent.

As a result, the terms of the Bail-inable Notes provide that acceleration will only be permitted (i) if the Bank defaults in the payment of the principal or interest for a period of more than 30 business days, or (ii) certain bankruptcy, insolvency or reorganisation events occur. Holders and beneficial owners of Bail-inable Notes may only exercise, or direct the exercise of, such rights in respect of Bail-inable Notes where an Order has not been made under Canadian bank resolution powers pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank. Notwithstanding the exercise of those rights, Bail-inable Notes will continue to be subject to Bail-in Conversion until paid in full.

The terms of the Bail-inable Notes also provide that holders or beneficial owners of Bail-inable Notes will not be entitled to exercise, or direct the exercise of, any set-off or netting rights with respect to Bail-inable Notes. In addition, where an amendment, modification or other variance that can be made to the Bail-inable Notes would affect the recognition of the Bail-inable Notes by the Superintendent as TLAC, that amendment, modification or variance will require the prior approval of the Superintendent.

The circumstances surrounding a Bail-in Conversion are unpredictable and can be expected to have an adverse effect on the market price of Bail-inable Notes.

The decision as to whether the Bank has ceased, or is about to cease, to be viable is a subjective determination by the Superintendent that is outside the control of the Bank. Upon a Bail-in Conversion, the interests of depositors and holders of liabilities and securities of the Bank that are not converted will effectively all rank in priority to the portion of Bail-inable Notes that are converted. In addition, except as provided for under the compensation process, the rights of Noteholders in respect of the Bail-inable Notes that have been converted will rank on parity with other holders of common shares of the Bank (or, as applicable, common shares of the affiliate whose common shares are issued on the Bail-in Conversion).

There is no limitation on the type of Order that may be made where it has been determined that the Bank has ceased, or is about to cease, to be viable. As a result, Noteholders holding Bail-inable Notes may be exposed to losses through the use of Canadian bank resolution powers other than a Conversion Order or in liquidation.

Because of the uncertainty regarding when and whether an Order will be made and the type of Order that may be made, it will be difficult to predict when, if at all, Bail-inable Notes could be converted into common shares of the Bank or any of its affiliates and there is not likely to be any advance notice of an Order. As a result of this uncertainty, trading behaviour in respect of the Bail-inable Notes may not follow trading behaviour associated with convertible or exchangeable securities or, in circumstances where the Bank is trending towards ceasing to be viable, other senior debt. Any indication, whether real or perceived, that the Bank is trending towards ceasing to be viable can be expected to have an adverse effect on the market price of the Bail-inable Notes. Therefore, in those circumstances, Noteholders holding Bail-inable Notes may not be able to sell their Bail-inable Notes easily or at prices comparable to those of senior debt securities not subject to Bail-in Conversion.

The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Bank or one of its affiliates.

Under the Bail-in Regime there is no fixed and pre-determined contractual conversion ratio for the conversion of the Bail-inable Notes, or other shares or liabilities of the Bank that are subject to a Bail-in Conversion, into common shares of the Bank or any of its affiliates, nor are there specific requirements regarding whether liabilities subject to a Bail-in Conversion are converted into common shares of the Bank or any of its affiliates. CDIC determines the timing of the Bail-in Conversion, the portion of bail-inable shares and liabilities to be converted and the terms and conditions of the Bail-in Conversion, subject to parameters set out in the Bail-in Regime. Those parameters, include that:

- in carrying out a Bail-in Conversion, CDIC must take into consideration the requirement in the Bank Act for banks to maintain adequate capital;

- CDIC must use its best efforts to ensure that shares and liabilities subject to a Bail-in Conversion are only converted after all subordinate ranking shares and liabilities that are subject to a Bail-in Conversion and any subordinate non-viability contingent capital instruments have been previously converted or are converted during the same restructuring period;

- CDIC must use its best efforts to ensure that the converted part of the liquidation entitlement of a share subject to a Bail-in Conversion, or the converted part of the principal amount and accrued and unpaid interest of a liability subject to a Bail-in Conversion, is converted on a pro rata basis for all shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period;

- holders of shares and liabilities that are subject to a Bail-in Conversion must receive a greater number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, than holders of any subordinate shares or liabilities subject to a Bail-in Conversion that are converted during the same restructuring period or of any subordinate non-viability contingent capital that is converted during the same restructuring period;

- holders of shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period must receive the same number of common shares per dollar of the converted part of the liquidation entitlement of their shares or the converted part of the principal amount and accrued and unpaid interest of their liabilities; and

- holders of shares or liabilities subject to a Bail-in Conversion must receive, if any non-viability contingent capital of equal rank to the shares or liabilities is converted during the same restructuring period, a number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, that is equal to the largest number of common shares received by any holder of the non-viability contingent capital per dollar of that capital.

As a result, it is not possible to anticipate the potential number of common shares of the Bank or its affiliates that would be issued in respect of any Bail-inable Notes converted on a Bail-in Conversion, the

aggregate number of such common shares that will be outstanding following the Bail-in Conversion, the effect of dilution on the common shares received in respect of any Bail-inable Notes converted on a Bail-in Conversion from other issuances of common shares of the same issuer under or in connection with an Order or related actions in respect of the Bank or its affiliates or the value of any common shares received by the Noteholders of converted Bail-inable Notes, which could be significantly less than the amount which may otherwise have been due under the converted Bail-inable Notes. It is also not possible to anticipate whether shares of the Bank or shares of its affiliates would be issued in a Bail-in Conversion. There may be an illiquid market, or no market at all, in the common shares issued upon a Bail-in Conversion and such Noteholders may not be able to sell those common shares at a price equal to the value of the converted Bail-inable Notes and as a result may suffer significant losses that may not be offset by compensation, if any, received as part of the compensation process. Fluctuations in exchange rates may exacerbate such losses.

By acquiring Bail-inable Notes, each Noteholder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion other than those provided under the Bail-in Regime. Any potential compensation to be provided through the compensation process under the CDIC Act is unknown.

The CDIC Act provides for a compensation process for Noteholders holding Bail-inable Notes who immediately prior to the making of an Order, directly or through an intermediary, own Bail-inable Notes that are converted in a Bail-in Conversion. While this process applies to successors of such Noteholders it does not apply to assignees or transferees of the Noteholder following the making of the Order and does not apply if the amounts owing under the relevant Bail-inable Notes are paid in full.

Under the compensation process, the compensation to which such Noteholders are entitled is the difference, to the extent it is positive, between the estimated liquidation value and the estimated resolution value of the relevant Bail-inable Notes. The liquidation value is the estimated value the Bail-inable Noteholders would have received if an order under the *Winding-up and Restructuring Act* (Canada) had been made in respect of the Bank, as if no Order had been made and without taking into consideration any assistance, financial or otherwise, that is or may be provided to the Bank, directly or indirectly, by CDIC, the Bank of Canada, the Government of Canada or a province of Canada, after any order to wind up the Bank has been made.

The resolution value in respect of relevant Bail-inable Notes is the aggregate estimated value of the following: (a) the relevant Bail-inable Notes, if they are not held by CDIC and they are not converted, after the making of an Order, into common shares under a Bail-in Conversion; (b) common shares that are the result of a Bail-in Conversion after the making of an Order; (c) any dividend or interest payments made, after the making of the Order, with respect to the relevant Bail-inable Notes to any person other than CDIC; and (d) any other cash, securities or other rights or interests that are received or to be received with respect to the relevant Bail-inable Notes as a direct or indirect result of the making of the Order and any actions taken in furtherance of the Order, including from CDIC, the Bank, the liquidator of the Bank, if the Bank is wound up, the liquidator of a CDIC subsidiary incorporated or acquired by order of the Governor in Council for the purposes of facilitating the acquisition, management or disposal of real property or other assets of the Bank that CDIC may acquire as the result of its operations that is liquidated or the liquidator of a bridge institution if the bridge institution is wound up.

In connection with the compensation process, CDIC is required to estimate the liquidation value and the resolution value in respect of the portion of converted Bail-inable Notes and is required to consider the difference between the estimated day on which the liquidation value would be received and the estimated day on which the resolution value is, or would be, received.

CDIC must, within a reasonable period following a Bail-in Conversion, make an offer of compensation by notice to the relevant Noteholders that held Bail-inable Notes equal to, or in value estimated to be equal to, the amount of compensation to which such Noteholders are entitled or provide a notice stating that such Noteholders are not entitled to any compensation. In either case, such notice is required to include certain prescribed information, including important information regarding the rights of such Noteholders to seek to object and have the compensation to which they are entitled determined by an assessor (a Canadian Federal Court judge) where holders of liabilities representing at least 10 per cent. of the principal amount and accrued and unpaid interest of the liabilities of the same class object to the offer or absence of compensation. The period for objecting is limited (45 days following the day on which a summary of the notice is published in the *Canada Gazette*) and failure by Noteholders holding a sufficient principal amount plus accrued and unpaid interest of affected Bail-inable Notes to object within the prescribed period will result in the loss of any ability to object to the offered compensation or absence of compensation, as applicable. CDIC will pay each relevant Noteholder the offered compensation within 135 days after the date on which a summary of the notice is published in the *Canada Gazette* if the offer of compensation is accepted by the Noteholder, the Noteholder does not notify CDIC of acceptance or objection to the offer within the aforementioned 45-day period or the Noteholder objects to the offer but the 10 per cent. threshold described above is not met within the aforementioned 45-day period.

Where an assessor is appointed, the assessor could determine a different amount of compensation payable, which could either be higher or lower than the original amount. The assessor is required to provide holders, whose compensation it determines, notice of its determination. The assessor's determination is final and there are no further opportunities for review or appeal. CDIC will pay the relevant holders the compensation amount determined by the assessor within 90 days of the assessor's notice.

By its acquisition of an interest in any Bail-inable Note, each Noteholder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion, other than those provided under the Bail-in Regime.

A similar compensation process to the one set out above applies, in certain circumstances, where as a result of CDIC's exercise of bank resolution powers, Notes are assigned to an entity which is then wound-up.

Following a Bail-in Conversion, Noteholders that held Bail-inable Notes that have been converted will no longer have rights against the Bank as creditors

Upon a Bail-in Conversion, the rights, terms and conditions of the portion of Bail-inable Notes that are converted, including with respect to priority and rights on liquidation, will no longer apply as the portion of converted Bail-inable Notes will have been converted on a full and permanent basis into common shares of the Bank or any of its affiliates ranking on parity with all other outstanding common shares of that entity. If a Bail-in Conversion occurs, then the interest of the depositors, other creditors and holders of liabilities of the Bank not bailed-in as a result of the Bail-in Conversion will all rank in priority to those common shares.

Given the nature of the Bail-in Conversion, holders or beneficial owners of Bail-inable Notes that are converted will become holders or beneficial owners of common shares at a time when the Bank's and potentially its affiliates' financial condition has deteriorated. They may also become holders or beneficial owners of common shares at a time when the relevant entity may have received or may receive a capital injection or equivalent support with terms that may rank in priority to the common shares issued in a

Bail-in Conversion with respect to the payment of dividends, rights on liquidation or other terms although there is no certainty that any such capital injection or support will be forthcoming.

Bail-inable Notes may be redeemed after the occurrence of a TLAC Disqualification Event

If the applicable Final Terms (or the Pricing Supplement in the case of Exempt Notes) for a Series of Bail-inable Notes specify that a TLAC Disqualification Event Call is applicable, the Bank may, at its option with the prior approval of the Superintendent, redeem all, but not some only, of the outstanding Bail-inable Notes of that Series within 90 days of the occurrence of the TLAC Disqualification Event (as defined in the Conditions) at the Early Redemption Amount specified in the applicable Final Terms (or the Pricing Supplement in the case of Exempt Notes), together (if applicable) with any accrued but unpaid interest to (but excluding) the date fixed for redemption. If the Bank redeems the outstanding Bail-inable Notes of that Series, holders of such Bail-inable Notes may not be able to reinvest the proceeds from such redemption in securities offering a comparable anticipated rate of return. Additionally, although the terms of each Series of Bail-inable Notes are anticipated to be established to satisfy the TLAC criteria within the meaning of the TLAC Guideline to which the Bank is subject, it is possible that any Series of Bail-inable Notes may not satisfy the criteria in future rulemaking or interpretations.

2. UK resolution risks applicable to the Notes

The UK's Banking Act 2009 (as amended, the "**UK Banking Act**") confers substantial powers on HM Treasury, the Bank of England, the FCA and the Prudential Regulation Authority (the "**PRA**") (together, the "**Authorities**") designed to enable them to take a range of actions in relation to, amongst others, UK banks and UK branches of third country institutions. In certain circumstances the Authorities may also take action in relation to an action under the law of a third country to manage the failure or likely failure of a third country institution (including a bank). The exercise of any of these actions in relation to the Bank (and/or the Bank's London branch) could materially adversely affect the value of any Notes.

Under the UK Banking Act, substantial powers are granted to the Authorities as part of a special resolution regime (the "**SRR**"). These powers enable the Authorities, among other things, to resolve a bank by means of several resolution tools (the "**Stabilisation Options**") in circumstances in which the Authorities consider its failure has become likely and a resolution is considered to be in the public interest.

The SRR enables the Authorities to take certain actions if the relevant Authority is notified that, amongst other categories of firm, a third country incorporated bank (such as the Bank) is subject to resolution in its jurisdiction of incorporation (a "**third country resolution action**"). The relevant Authority may make an instrument (i) recognising the third country resolution action; (ii) refusing to recognise the third country resolution action; or (iii) recognising part of the third country resolution action and refusing to recognise the remainder. The Authorities may only refuse to recognise an action (or part of it) in certain specified cases, such as where recognition would have an adverse effect on financial stability in the UK. In addition, the SRR applies in a modified way to UK branches of third country entities (such as the Bank's London branch) and the Authorities can independently resolve such branches even if the branch is not subject to third country resolution action, or where the Authorities have refused to recognise or enforce.

If the Bank (and/or the Bank's London branch) were to be subject to the SRR, the Bank may be significantly altered, including without limitation, changes to the Bank's liabilities, assets, capital structure, shareholding and strategy.

Risks related to Notes issued by the Bank's London branch

Notes are issued by the Bank's London branch if the Branch of Account specified in the applicable Final Terms is London. Specifically, and for the avoidance of doubt, none of the Bank's branches are subsidiaries of the Bank and do not constitute a separate legal entity. The obligations incurred by the Bank in issuing Notes through a branch are obligations of the Bank as a whole only, and investors' claims under such Notes will only be against the Bank and not a branch.

Under the SRR, the Authorities can make a statutory instrument that provides for the exercise of the Stabilisation Options. The Stabilisation Options include: (i) selling all or part of the business to a private sector purchaser; (ii) transferring all or part of the business to a bridge bank; (iii) transferring all or part of the business to an asset management vehicle; (iv) exercising the bail-in option; and (v) taking the firm into temporary public sector ownership option. Exercise of these Stabilisation Options is possible where the relevant Authorities are acting to support or give full effect to a third country resolution action (e.g. a resolution action by the Canadian resolution authority) and the Authorities' actions may include, amongst others, actions such as transferring assets located in the UK to a purchaser under the Canadian equivalent of a sale of business tool, or to a bridge bank in Canada.

If the Authorities independently resolved the London branch of a third country entity (i.e. the Bank's London branch), their Stabilisation Options are limited to the 'business of the UK branch' and are: (i) to sell some or all of the business of the branch to a private sector purchaser, bridge bank or asset management vehicle; and (ii) to bail-in liabilities (including the Notes) in connection with the transfer to the private-sector purchaser, bridge bank or asset management vehicle.

The concept of the 'business of the UK branch' is defined as: (i) any rights and liabilities of the third country institution arising as a result of the operations of the UK branch; and (ii) any other property in the UK of the third country institution. The Notes will be considered to be within the business of the branch where they arise 'as a result of the operations of the Bank's London branch'. Where the Notes are issued in the name of the Bank's London branch and/or are otherwise part of the business of the branch, for example, through being included within the London branch's return form (a type of semi-annual account for the branch) to the PRA it is likely that such Notes will be considered by the Authorities to be within the business of the branch. However, these powers are untested, and if there is an adequate degree of operational involvement by the Bank's London branch in an issuance, there is a risk that the Authorities may consider such Notes issued by the Bank in Canada to be within the business of the branch due to the broad definition of this term.

Any exercise of the Stabilisation Options by the Authorities could have a material adverse effect on the Bank and the Bank's London branch. In particular, if the Bank or the Bank's London branch were made subject to the write-down and conversion tool, certain liabilities of the Bank would be cancelled, reduced or modified in some way, and this may include the Notes.

Risks for Noteholders

Noteholders may be subject to the relevant powers listed above, which may result in such Noteholders losing some or all of their investment. As at the date of this Prospectus, the Authorities have not exercised any powers under the SRR in respect of either the Bank or the Bank's London branch and there has been no indication that they will do so. However, there can be no assurance that this will not change and any exercise of any power under the SRR or any suggestion of such exercise could, therefore, adversely affect the rights of the Noteholders, the price or value of their investment in the Notes, the liquidity and/or volatility of any market in the Notes and/or the ability of the Bank to satisfy its obligations under the relevant Notes.

In circumstances when the SRR have been used, Noteholders may have a claim for compensation. The value of compensation may be limited and there can be no assurance that Noteholders will have such a claim or, if they do, that they would thereby recover compensation promptly or equal to any loss actually incurred.

In addition, if the market perceives or anticipates that any action may be taken under the UK Banking Act in respect of the Bank or any of the Bank's securities (including any Notes issued under this programme), this may have a significant adverse effect on the market price of the Notes and/or the liquidity and/or volatility of any market in the Notes, whether or not such powers are ultimately exercised. In such case, investors may experience difficulty in selling their Notes, or may only be able to sell their Notes at a loss.

The paragraphs below set out some of the possible consequences of the exercise of the powers under the SRR.

The SRR may be triggered prior to insolvency of the Bank

The purpose of the SRR is to address the situation where all or part of the business of a third country entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns in the UK, and so to provide the Authorities with the appropriate powers to transfer (and then write down where necessary) those rights and liabilities of the branch of the third country entity. Under the UK Banking Act where the Authorities recognise third country resolution actions, they must have regard to the Special Resolution Objectives, including Special Resolution Objective 8 which applies when using or considering the use of their powers. Alternatively, the Authorities may independently resolve the London branch of a third country entity and make a property transfer instrument in respect of a UK branch if one of the following applies (each Condition as explained below): (a) the PRA is satisfied that Condition 1 is met, and the Bank of England is satisfied that Conditions 2, 4 and 5 are met; or (b) the Bank of England is satisfied that Conditions 3 and 4 are met; or (c) the Bank of England is satisfied that Condition 4 is met and Condition 5 is met by virtue of its first limb (Condition 5(a)).

The Conditions referred to above are as follows: Condition 1: The Bank is failing or likely to fail (i.e, failing to satisfy the threshold conditions or the Bank or its London branch being unable or unwilling to pay debts or liabilities owed to EEA creditors or otherwise arising from the business of the branch as they fall due); Condition 2: Having regard to timing and other relevant circumstances, it is not reasonably likely that (ignoring the Stabilisation Options) action will be taken by or in respect of the Bank that will result in Condition 1 above ceasing to be met; Condition 3: (a) the Bank is unable or unwilling, or is likely in the near future to be unable or unwilling, to pay its debts or other liabilities owed to UK creditors or otherwise arising from the business of the branch as they fall due; and (b) no third country (e.g. Canadian) resolution action or proceedings has been taken, no normal insolvency proceedings have been initiated, and no such action or proceedings are likely in the near future to be taken or initiated; Condition 4: Making a property transfer instrument is necessary having regard to public interest in the advancement of one or more of the Special Resolution Objectives; and Condition 5: Either: (a) third country (e.g. Canadian) resolution action has been taken (or the Bank of England has been notified that action will be taken in relation to the Bank) and the Bank of England have refused or proposes to refuse to recognise such action for one of the reasons specified in the Banking Act 2009; or (b) third country (e.g. Canadian) resolution action has not been, and is not likely to be, taken in relation to the Bank. It is therefore possible that the Authorities may look to independently resolve the Bank's London branch prior to the point at which any insolvency proceedings with respect to the Bank's London branch could be initiated.

A partial transfer of business of the Bank's London branch may result in a deterioration of the Bank's creditworthiness

If the Authorities sought to independently resolve the Bank's London branch, and a partial transfer of its business to another entity were effected, the quality of the assets and the quantum of the liabilities not transferred and remaining with the Bank's London branch (which may include the Notes) may result in a deterioration in the creditworthiness of the Bank and, as a result, increase the risk that it will be unable to meet its obligations in respect of the Notes and/or eventually become subject to administration or insolvency proceedings. In such circumstances, Noteholders may have a claim for compensation under compensation schemes in Canada, but there can be no assurance that the Noteholders would thereby recover compensation promptly or equal to any loss actually incurred.

Depositor preference

Amendments to the UK Insolvency Act 1986 have introduced changes to the treatment and ranking of certain preferential debts with the result that certain deposits which are eligible for compensation under the UK Financial Services Compensation Scheme will rank in priority to the claims of ordinary (i.e. non-preferred) unsecured creditors (including other depositors) in the event of an insolvency. This means that if the Notes are transferred to another entity subject to the UK Banking Act in the UK in accordance with the Authorities independently resolving the Bank's London branch, the claims of Noteholders would rank junior to the claims in respect of liabilities afforded preferred status and accordingly, in the event of insolvency or resolution of that UK entity, Notes would be available to absorb losses ahead of liabilities which benefit from such preference.

As at the date of this Prospectus, the relevant Authorities have not made an instrument or order under the UK Banking Act in respect of the Bank or the Bank's London branch and there has been no indication that they will make any such instrument or order. However, there can be no assurance that this will not change and/or that the Noteholders will not be adversely affected by any such order or instrument if made.

3. Risks related to the structure of a particular issue of Notes

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors in that in some cases they may lose the value of their entire investment or part of it. In addition, a wide range of Exempt Notes may be issued under the Programme. Some Exempt Notes may be complex financial instruments which may have features that contain particular risks for potential investors in that in some cases they may lose the value of their entire investment or part of it. A potential investor should not invest in Exempt Notes which are complex financial instruments unless such investor has the expertise (either alone or with a financial advisor) to evaluate how the Exempt Notes will perform under changing conditions, the resulting effect on the value of the Exempt Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Set out below are risks relating to Notes with certain features:

Notes subject to optional redemption by the Bank

The Bank may be expected to redeem the 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.

An optional redemption feature of Notes is likely to limit their market value and could reduce secondary market liquidity. During any period when the Bank 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.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. If the rate 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 the other Notes. If the rate converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing rates payable on the Notes.

Floating Rate Notes with caps or floors

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

Range Accrual Notes

If the Notes include a "range accrual" feature ("**Range Accrual Notes**") then interest will only be paid if the level of the underlying interest rates on the relevant valuation date(s) is at or above one or more specified lower barrier(s) and/or at or below one or more specified upper barrier(s) (as applicable). It is possible that such level of the underlying interest rates on the relevant valuation date(s) will not be at or above/below the specified barrier(s) or not be within the specified range during the relevant interest determination period (as applicable) and, therefore, no interest will be payable on the relevant Interest Payment Date. This means that the amount of interest payable to a Noteholder over the term of the Range Accrual Notes may vary and may be zero.

Fixed Rate Reset Notes

A holder of Senior Notes with a fixed rate of interest that will periodically reset during the term of the relevant Senior Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fixed Rate Reset Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Anniversary Date (if any) thereafter, the interest rate will be reset to be the sum of (i) the applicable Mid-Swap Rate, Benchmark Gilt Rate or Reference Bond Rate and (ii) the relevant Margin as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "**Subsequent Reset Rate**"). The Subsequent Reset Rate for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate for prior Reset Periods and could affect the value of an investment in the Fixed Rate Reset Notes.

Index Linked Notes and Dual Currency Notes

The Bank may issue Exempt Notes with principal, premium or interest determined by reference to an index or formula, to changes in the prices of equity or other securities, to movements in currency exchange rates or other financial variables (each, a "**Relevant Factor**"). In addition, the Bank may issue Exempt Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Exempt Notes are denominated. An investment in such Exempt Notes entails significant risks that are not associated with similar investments in a conventional fixed rate or floating

rate debt security and in some circumstances the value of the Exempt Notes may be less than the principal amount of the Exempt Notes and may be zero in which case a potential investor may lose some or all of the amount it invested in the Exempt Notes. Potential investors should be aware that:

(i) the Exempt Notes may not be conventional debt securities and, accordingly, the market price of such Exempt Notes may be volatile;

(ii) investors may receive no interest or they may receive interest at a rate that is significantly less than that payable on a conventional fixed rate or floating rate debt security issued at the same time;

(iii) payment of principal or interest may occur at a different time or in a different currency than expected, including that the currency of principal or interest payments may be different from the currency a potential investor's financial activities are principally denominated in;

(iv) if the principal of and/or premium on such an Exempt Note is so indexed, the amount of principal and/or premium payable in respect thereof may be less than the original purchase price of such Exempt Note and less than the nominal or face amount of such Exempt Notes, and the amount of principal and/or premium payable may even be zero;

(v) investors should be willing to hold these Exempt Notes until the maturity date as the secondary market for such Exempt Notes may be limited or non-existent and if there is a limited secondary market then the lack of demand may reduce the market price at which Exempt Notes may be sold prior to maturity;

(vi) the market price will be affected by a number of factors independent of the creditworthiness of the Bank and will depend on the value of the applicable Relevant Factor as well as the volatility of the applicable Relevant Factor, the specific terms and time remaining to the maturity of such Exempt Notes, the amount outstanding of such Exempt Notes, market interest rates and the market for other types of related and unrelated financial instruments;

(vii) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and may depend on a number of complex and interrelated factors over which the Bank has no control, including, without limitation, economic, financial and political events. Additionally, if the formula used to determine the amount of principal, premium and/or interest payable with respect to such Exempt Notes contains a multiplier or leverage factor, the effect of any change in the Relevant Factor will be increased (or decreased if the multiplier or relevant factor is less than one) and this increase (or decrease) may be significant; and

(viii) 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.

The historical experience of the relevant currencies, interest rates, equities, index or other financial variables should not be taken as an indication of future performance of such currencies, interest rates, equities, index, or other financial variables during the term of any Exempt Note. Prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in such Exempt Notes and the suitability of such Exempt Notes in light of their particular circumstances. Neither the Bank nor the Dealers make any recommendation as to whether the Exempt Notes are a suitable investment for any person.

Notes issued at a substantial discount or premium

The issue price of Notes may be more than the market value of such Notes as of the issue date, and the price, if any, at which a Dealer or any other person is willing to purchase the Notes in a secondary market transaction may be lower than the issue price. In particular, the issue price may take into account amounts with respect to commissions relating to the hedging of the Bank's obligations under such Notes, and secondary market prices are likely to exclude such amounts. In addition, pricing models of market participants may differ or produce a different result.

The prices at which Zero Coupon Notes, as well as other Notes issued at a substantial discount or premium to their principal nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing Notes. If market interest rates increase, such Notes can suffer higher price losses as compared to conventional interest-bearing Notes having the same maturity and credit rating. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities and credit.

Partly Paid Notes

The Bank may issue Exempt Notes where the issue price is payable in more than one instalment ("**Partly Paid Notes**"). Failure to pay any subsequent instalment could result in an investor losing all of his investment.

Notes which are issued with variable interest rates or which are structured to include caps, floors, multipliers or other leverage factors

Notes with variable interest rates can be volatile investments. If they are structured to include caps or floors, multipliers or other leverage factors, or any combination of those or other similar related features, their market value may be even more volatile than those of 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 EURIBOR. The market values of those Exempt 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 Exempt Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Exempt Notes.

Floating Rate and Range Accrual Notes linked to "benchmarks" such as EURIBOR and other benchmark indices

Interest rates and indices which are deemed to be benchmarks (including the Euro Interbank Offered Rate ("**EURIBOR**"), the Norwegian Interbank Offered Rate ("**NIBOR**"), CNH Hong Kong interbank offered rate ("**CNH HIBOR**"), Hong Kong interbank offered rate ("**HIBOR**"), the Relevant Swap Rate (as defined in the Conditions), the Constant Maturity Swap Rate ("**CMS Rate**"), and other IBOR rates and indices) are the subject of national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect

on the value and return on any Notes referencing, or linked to, such a benchmark to calculate interest on these Notes.

The EU Benchmark Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it: (a) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (b) prevents certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

Similarly, the UK Benchmark Regulation, among other things, applies to the provision of benchmarks and the use of a benchmark within the UK. It similarly prohibits the use within the UK by UK-supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed). The EU Benchmark Regulation and/or the UK Benchmark Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR, NIBOR, CNH HIBOR, HIBOR, the CMS Rate or the Relevant Swap Rate, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmark Regulation and/or the UK Benchmark Regulation, as applicable. Such changes could (amongst other things) have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level, of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, might increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Specifically, the working group on euro risk-free rates has recommended Euro Short-term Rate ("**€STR**") as the new risk free rate and has published a set of guiding principles and high level recommendation for fallback provisions in, among other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On May 11, 2021, the euro risk free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark; and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Notes.

Benchmark Discontinuation under the Conditions

In the case of Notes (i) using a Reference Rate other than SOFR or SARON (including a swap rate linked to a reference rate other than SOFR or SARON) (unless Condition 4(o) or 4(p), respectively, are specified to be not applicable in the applicable Final Terms) to determine the rate of interest (or a component thereof) or (ii) using €STR or SARON (in the latter case where Condition 4(p) is specified to be applicable in the applicable Final Terms) as a reference rate where an €STR Index Cessation Event or a SARON Index Cessation Event, as the case may be, has occurred and the €STR Fallbacks or SARON Fallbacks (each as defined below) do not enable the rate of interest (or a component thereof) to be determined, in the event that a Benchmark Event (as defined in the Conditions) (including where a published benchmark such as EURIBOR or a swap rate becomes unavailable, unlawful or

unrepresentative) has occurred, Condition 4(n) provides for certain fallbacks, including the possibility that the rate of interest could be determined by the Bank in consultation with an Independent Adviser (if any), or if the Bank is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, determined by the Bank itself, and set by reference to a Successor Rate or an Alternative Rate (each as defined in the Conditions) and that such Successor Rate or Alternative Rate may be adjusted by an Adjustment Spread (which, for the avoidance of doubt, may be positive or negative or zero) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. However, it may not be possible to determine or apply any such Adjustment Spread and even if an Adjustment Spread is applied, it may not be effective to reduce or eliminate economic prejudice to investors. If no Adjustment Spread can be determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Rate of Interest.

In the case of Notes using SOFR (including a swap rate linked to such reference rate) (unless Condition 4(n) is specified to be not applicable in the applicable Final Terms) as a reference rate to determine the Rate of Interest (or a component thereof), if the Bank or its designee determines that a Benchmark Transition Event (including where the benchmark becomes unavailable or unrepresentative) and its related Benchmark Replacement Date has occurred, the then current benchmark will be replaced by a replacement rate (determined by the Bank in accordance with Condition 4(n) for all purposes in respect of all determinations on such date and for all determinations on subsequent dates.

In making determinations in connection with a Benchmark Event or a Benchmark Transition Event, the Bank may be entitled to exercise substantial discretion and may be subject to conflict of interest in exercising this discretion.

For a discussion of the primary specific benchmark replacement provisions relating to €STR and SARON (in the latter case where Condition 4(p) is specified to be applicable), please see "*The market continues to develop in relation to €STR as a reference rate*" and "*The market continues to develop in relation to SARON as a reference rate*" below.

In certain circumstances, other than in respect of Notes referencing a CMS Rate, a Relevant Swap Rate, SOFR or SARON, the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes. In the case of Notes linked to a CMS Rate or Relevant Swap Rate, the ultimate fallback for the reference rate could be the Calculation Agent determining an alternative rate in its sole discretion.

Any of the alternative methods noted above may result in interest payments that are lower than or that do not otherwise correlate over time with the payments that would have been made on the Notes if EURIBOR, NIBOR, CNH HIBOR, HIBOR, the CMS Rate, Relevant Swap Rate, SOFR, SONIA, €STR, TONA, SARON or SORA or any other relevant benchmark were available in their current form.

In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser, a designee of the Bank, the relevant fallback provisions may not operate as intended at the relevant time. More generally, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Bank to meet its obligations under the Floating Rate Notes, Fixed Rate Reset Notes or Range Accrual Notes, and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes, Fixed Rate Reset Notes or Range Accrual Notes. Investors should consider these matters, and should consult their own independent advisers and make

their own assessment about the potential risks imposed by benchmark reforms, investigations and licensing issues in making any investment decision with respect to such Notes linked to a benchmark.

The market continues to develop in relation to SONIA, TONA and SORA as reference rates

Where the applicable Final Terms for a Series of Notes, which are Floating Rate Notes, specifies SONIA, TONA or SORA (each, a "**New Reference Rate**") as a relevant rate for such Notes, the Interest Rate will be determined on the basis of a compounded daily rate. In each case, such rate differs from sterling London Interbank Offered Rate ("**LIBOR**") or Yen LIBOR in a number of material respects, including (without limitation) that the compounded daily rate is a backwards-looking, compounded, risk-free overnight rate, whereas sterling or Yen LIBOR is expressed on the basis of a forward-looking term and includes a credit risk-element based on inter-bank lending. The use of any New Reference Rate as a reference rate for Eurobonds is fairly nascent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of debt securities referencing SONIA, TONA or SORA.

Accordingly, prospective investors in any Notes referencing a New Reference Rate should be aware that the market continues to develop in relation to the New Reference Rate as a reference rate in the capital markets and their adoption as an alternative to the relevant interbank offered. In addition market participants, and relevant working groups are exploring alternative reference rates based on risk free rates, examples of which include term SONIA, TONA and SORA reference rates (which seek to measure the market's forward expectation of an average SONIA, TONA or SORA rate over a designated term).

The market or a significant part thereof may adopt an application of a New Reference Rate that differs significantly from that set out in the Terms and Conditions as applicable to Notes referencing such New Reference Rates that are issued under this Prospectus. Furthermore the Bank may in the future issue Notes referencing a New Reference Rate that differ materially in terms of interest determination when compared with any previous Notes issued by it under the Programme referencing such New Reference Rate. The continued development of compounded daily new Reference Rates as an interest reference rate for the Eurobond markets, as well as continued development of New Reference Rate based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any New Reference Rate Notes issued under the Programme from time to time.

Furthermore, interest on Notes which reference a New Reference Rate is only determined immediately or shortly prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference a New Reference Rate to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their information technology systems, both of which factors could adversely impact the liquidity of such Notes. Further, if Notes referencing a New Reference Rate become due and payable as a result of an event of default under Condition 10, or are otherwise redeemed early on a date which is not an Interest Payment Date, the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined immediately or shortly prior to the date on which the Notes become due and payable and shall not be reset thereafter.

In addition, the manner of adoption or application of a New Reference Rate in the Eurobond markets may differ materially compared with the application and adoption of such New Reference Rate in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of a New Reference Rate across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

The market continues to develop in relation to €STR as a reference rate

Where the applicable Final Terms for a Series of Notes specifies that the interest rate for such Notes will be determined by reference to €STR, interest will be determined on the basis of €STR (as defined in the Terms and Conditions of the Notes). The interest rate in respect of Notes with €STR as a Reference Rate will be determined on the basis of Compounded Daily €STR (as defined in the Terms and Conditions of the Notes), which is a backwards-looking, compounded risk-free overnight rate.

Investors should be aware that the market continues to develop in relation to €STR as a reference rate in the capital markets and its adoption as an alternative to EURIBOR. Furthermore, the market or a significant part thereof may adopt an application of €STR that differs significantly from that set out in the Terms and Conditions and the Bank may in the future issue Notes referencing €STR that differ materially in terms of interest determination when compared with any previous €STR referenced Notes issued by it. The nascent development of Compounded Daily €STR as an interest reference rate for bond markets, as well as continued development of €STR-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of Notes with €STR as a Reference Rate. Market participants, industry groups and/or central bank-led working groups continue to explore compounded and weighted average rates and observation methodologies for such rates (including so-called 'shift', 'lag', and 'lock-out' methodologies) and such groups may also explore forward-looking 'term' reference rates derived from these overnight rates. The adoption of overnight rates may also see component inputs into swap rates or other composite rates transferring from EURIBOR or another reference rate to an overnight rate.

The interest rate for Notes with €STR as a Reference Rate is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes with €STR as a Reference Rate to estimate reliably the amount of interest which will be payable on the Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely affect the liquidity of such Notes. Further, if such Notes become due and payable prior to their stated maturity, the final interest rate payable in respect of such Notes shall only be determined immediately prior to the date on which the Notes become due and payable.

€STR is published by the European Central Bank and there can be no guarantee that €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interest of investors in Notes with €STR as a Reference Rate. The manner of adoption or application of €STR in the bond markets may differ materially compared with the application and adoption of €STR in other markets such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of €STR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of such Notes.

To the extent the €STR Reference Rate is discontinued or is no longer published as described in the Terms and Conditions, the applicable rate to be used to calculate the interest rate on such Notes will be determined using the alternative methods described in Condition 4(b)(ii)(E) ("**€STR Fallbacks**") or if these do not enable the rate of interest to be determined, Condition 4(n) (*Benchmark Discontinuation*) will apply (see "*Benchmark Discontinuation under the Conditions*" above). Any of these €STR Fallbacks may result in interest payments that are lower than, or do not otherwise correlate over time with, the payment that would have been made on the Notes if the €STR Reference Rate had been provided by

the European Central Bank in its form as at the Issue Date of the Notes. In addition, use of the €STR Fallbacks may result in a fixed rate of interest being applied to the Notes.

In addition, the manner of adoption or application of overnight rates in the Eurobond markets may differ materially when compared with the application and adoption of the same overnight rates for the same currencies in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of overnight rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing overnight rates.

An investment in Notes with €STR as the Reference Rate may entail significant risks not associated with similar investments in conventional debt securities. Any investor should ensure it understands the nature of the terms of such Notes and the extent of its exposure to risk.

Any failure of SOFR to gain market acceptance could adversely affect the Notes

According to the Alternative Reference Rates Committee (the "**ARRC**"), SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to USD LIBOR in part because it is considered a good representation of general funding conditions in the overnight U.S. Treasury repurchase agreement market.

However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR a suitable replacement or successor for all of the purposes for which USD LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen market acceptance of SOFR. Any failure of SOFR to gain market acceptance could adversely affect the return on and value of any SOFR-referenced Notes and the price at which investors can sell such Notes in the secondary market.

In addition, if SOFR does not prove to be widely used as a benchmark in securities that are similar or comparable to the Notes, the trading price of SOFR-referenced Notes may be lower than those of securities that are linked to rates that are more widely used. Similarly, market terms for floating rate debt securities linked to SOFR, such as the spread over the base rate reflected in interest rate provisions or the manner of compounding the base rate, may evolve over time, and trading prices of SOFR-referenced Notes may be lower than those of later-issued SOFR-based debt securities as a result. Investors in SOFR-referenced Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

The Interest Rate on SOFR-Referenced Notes is based on a Compounded SOFR Rate and the SOFR Index, which may not be widely adopted and may adversely affect the market value of SOFR-Referenced Notes

For each Interest Period, the interest rate on SOFR-referenced Notes is based on Compounded SOFR, which is calculated using the SOFR Index published by the Federal Reserve Bank of New York according to the specific formula described under "Terms and Conditions of the Notes—Interest on Floating Rate Notes—Rate of Interest—Screen Rate Determination for Floating Rate Notes - SOFR", not the SOFR rate published on or in respect of a particular date during such Interest Period or an arithmetic average of SOFR rates during such period. For this and other reasons, the interest rate on SOFR-referenced Notes during any Interest Period will not necessarily be the same as the interest rate

on other SOFR-linked investments that use an alternative basis to determine the applicable interest rate. Further, if the SOFR rate in respect of a particular date during an Interest Period is negative, its contribution to the SOFR Index will be less than one, resulting in a reduction to the Compounded SOFR used to calculate the interest payable on SOFR-referenced Notes on the Interest Payment Date for such Interest Period.

The use of the SOFR Index or the specific formula for the Compounded SOFR rate to be used in the Notes may not be widely adopted by other market participants. If the market adopts a different calculation method, that would likely adversely affect the market value of SOFR-referenced Notes.

Compounded SOFR with respect to a particular Interest Period will only be capable of being determined near the end of the relevant Interest Period

The level of Compounded SOFR applicable to a particular Interest Period and, therefore, the amount of interest payable with respect to such Interest Period will be determined on the Interest Determination Date for such Interest Period. Because each Interest Determination Date is near the end of such Interest Period, investors will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date and it may be difficult for investors to reliably estimate the amount of interest that will be payable on each such Interest Payment Date, which could adversely affect the liquidity and trading price of such Notes.

The SOFR Index may be modified or discontinued, which could adversely affect the value of SOFR-referenced Notes

The SOFR Index is published by the Federal Reserve Bank of New York based on data received by it from sources other than the Bank, and the Bank has no control over its method of calculation, publication schedule, rate revision practices or availability of the SOFR Index at any time. There can be no guarantee, particularly given its relatively recent introduction, that the SOFR Index will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in SOFR-referenced Notes. If the manner in which the SOFR Index is calculated, including the manner in which SOFR is calculated, is changed, that change may result in a reduction in the amount of interest payable on SOFR-referenced Notes and the trading prices of such Notes. In addition, the Federal Reserve Bank of New York may withdraw, modify or amend the published SOFR Index or SOFR data in its sole discretion and without notice. The interest rate for any Interest Period will not be adjusted for any modifications or amendments to the SOFR Index or SOFR data that the Federal Reserve Bank of New York may publish after the interest rate for that Interest Period has been determined.

The market continues to develop in relation to SARON as a reference rate

Where the applicable Final Terms for a Series of Notes (or the applicable Pricing Supplement) specifies that the interest rate for such Notes will be determined by reference to SARON, interest will be determined on the basis of SARON (as defined in the Terms and Conditions of the Notes). The interest rate in respect of Notes with SARON as a Reference Rate will be determined on the basis of SARON Compounded (as defined in the Terms and Conditions of the Notes), which is a backwards-looking, compounded risk-free overnight rate.

Investors should be aware that the market continues to develop in relation to the daily SARON as a reference rate in the capital markets and its adoption as an alternative to CHF LIBOR. Furthermore, the market or a significant part thereof may adopt an application of SARON as a reference rate that differs significantly from that set out in the Terms and Conditions and the Bank may in the future issue Notes referencing SARON that differ materially in terms of interest determination when compared with any previous SARON referenced Notes issued by it. The development of SARON as a reference rate, as

well as continued development of SARON-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of Notes with SARON as a Reference Rate.

The interest rate for Notes with SARON as a Reference Rate is only capable of being determined shortly before the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. Consequently, it may be difficult for investors in Notes with SARON as a Reference Rate to estimate reliably the amount of interest that will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely impact the liquidity of such Notes. Further, if any Notes become due and payable prior to their stated maturity, the final interest rate payable in respect of such Notes shall only be determined immediately prior to the date on which the Notes become due and payable.

In addition, the manner of adoption or application of SARON reference rates in the debt capital markets may differ materially when compared with the application and adoption of SARON in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SARON reference rates across these markets may impact any hedging or other financial arrangements, if any, which they may put in place in connection with such Notes.

To the extent the SARON Reference Rate is discontinued or is no longer published as described in the Conditions, the applicable rate to be used to calculate the interest rate on such Notes will be determined using the alternative methods described in Condition 4(c)(ii)(G) (the "**SARON Fallbacks**") or if these do not enable the rate of interest to be determined, Condition 4(n) (*Benchmark Discontinuation*) will apply (see "Benchmark Discontinuation under the Conditions" above). Any of these SARON Fallbacks may result in interest payments that are lower than, or do not otherwise correlate over time with, the payment that would have been made on the Notes if the SARON Reference Rate had been provided by the SARON Administrator in its form as at the Issue Date of the Notes. In addition, use of the SARON Fallbacks may result in a fixed rate of interest being applied to the Notes.

An investment in Notes with SARON as the Reference Rate may entail significant risks not associated with similar investments in conventional debt securities. Any investor should ensure it understands the nature of the terms of such Notes and the extent of its exposure to risk.

Notes issued as "sustainable bonds" may not be a suitable investment for all investors seeking exposure to sustainable, green, and/or social assets

The Bank may issue Notes under the Programme where the use of proceeds is specified in the applicable Final Terms for a Series of Notes as being Sustainable Bonds and/or for the financing and/or refinancing, in whole or in part, of future and/or existing eligible businesses and eligible projects, including the Bank's own operations that promote sustainable, environmentally friendly and/or social activities as may be specified in the applicable Final Terms (see further under "Use of Proceeds") (any such Notes, "**Sustainable Bonds**").

The Bank will exercise its judgement and sole discretion in determining the businesses and projects that will be financed by the proceeds of Sustainable Bonds. If the use of the proceeds of Sustainable Bonds is a factor in an investor's decision to invest in Sustainable Bonds, they should consider the disclosure in "Use of Proceeds" set out in the applicable Final Terms and this Prospectus and consult with their legal or other advisers before making an investment in Sustainable Bonds. While it is the intention of the Bank, no assurance is given by the Bank, the Arrangers or the Dealers that any of the businesses and projects funded with the proceeds from Sustainable Bonds will meet any environmental, sustainability, social and/or other criteria ("**Sustainability Criteria**") (as further described in the

Sustainable Financing Framework, as defined in the section entitled “Sustainable Bond Framework”) or an investor’s expectations or requirements, whether as to sustainability impact or outcome or otherwise.

Furthermore, while the intention of the Bank is to apply the net proceeds of the relevant Sustainable Bonds as may be described in “Use of Proceeds” set out in the applicable Final Terms for the Notes and this Prospectus, there is no contractual obligation to allocate the proceeds of such Sustainable Bonds to finance eligible businesses and projects or to provide annual progress reports as may be described therein.

The Bank’s failure to so allocate or report the failure of any of the businesses and projects funded with the proceeds from Sustainable Bonds to meet any Sustainability Criteria, the failure of external assurance providers to opine on the Sustainable Bonds’ conformity with any Sustainability Criteria, or the cessation of the listing or admission of Sustainable Bonds to trading on any dedicated “sustainable”, “green”, “environmental”, “social” or other equivalently-labelled segment of any stock exchange or securities market (where applicable) will not constitute an Event of Default with respect to the relevant Sustainable Bonds or give rise to any other claim by a holder of such Sustainable Bonds against the Bank. Any such failure may affect the value of the relevant Sustainable Bonds and/or have adverse consequences for certain investors with portfolio mandates to invest in sustainable or green assets or for a particular purpose.

Furthermore, it should be noted that the definition (legal, regulatory or otherwise) of, or market consensus as to what constitutes or may be classified as, a "green", "sustainable", “social” or an equivalently labelled project or business, or as to what precise attributes are required for a particular project or business to be defined as "green", "sustainable", “social” or such other equivalent label is evolving. No assurance can be given that such a clear definition, market consensus or label will develop over time or that if it does, any Sustainable Bonds will comply with any future standards or requirements regarding any "green", "sustainable", “social” or other equivalently-labelled performance objectives (including, without limitation, as set out under Regulation (EU) 2020/852 of the European Parliament and of the Council on the Establishment of a Framework to Facilitate Sustainable Investment (the “**EU Taxonomy**”), the EU Taxonomy as it forms part of UK domestic law by virtue of the EUWA, or under the International Sustainability Standards Board’s proposed introduction of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures) and, accordingly, the status of any Notes as being “green”, “social”, “sustainable” (or equivalent) could be withdrawn at any time. No assurance is given by the Bank, the Arrangers or the Dealers that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any of the businesses and projects funded with the proceeds from Sustainable Bonds.

None of the Bank, the Arrangers or the Dealers makes any representation as to the suitability of the Sustainable Bonds to fulfil any Sustainability Criteria required by prospective investors, or as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by the Bank) which may be made available in connection with the issue of Sustainable Bonds. For the avoidance of doubt, no Sustainable Financing Framework, Sustainability Criteria, report, assessment, opinion or certification of any third party (whether or not solicited by the Bank) is, nor shall they be deemed to be, incorporated in and/or form part of this Prospectus. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by the Bank, the Arrangers, the Dealers or any other person to buy, sell or hold Sustainable Bonds. Any report, assessment, opinion or certification of any third party (whether or not solicited by the Bank) is only current as at the date that it was initially issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of

any investment in any Sustainable Bonds. The providers of such reports, assessments, opinions and certifications are not currently subject to any specific regulatory or other regime or oversight. None of the Arrangers or the Dealers have undertaken, nor are they responsible for, any assessment of any framework or eligibility criteria for the Sustainable Bonds, any verification of whether any of the businesses or projects meet any applicable eligibility criteria, or the monitoring of the use of proceeds of the Sustainable Bonds.

If Sustainable Bonds are at any time listed or admitted to trading on any dedicated "green", "environmental", "sustainable", "social" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Bank, any Arranger, any Dealer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect sustainability, environmental or social impact of any projects or uses, the subject of or related to, any of the businesses and projects funded with the proceeds from Sustainable Bonds. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Bank, any Arranger, any Dealer or any other person that any such listing or admission to trading will be obtained in respect of Sustainable Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of the relevant Sustainable Bonds.

While it is the intention of the Bank to apply an amount equal to the net proceeds of any Sustainable Bonds and (where applicable) obtain and publish the relevant reports, assessments, opinions and certifications in, or substantially in, the manner described in "Use of Proceeds" set out in the applicable Final Terms and this Prospectus, there is no contractual obligation to do so and there can be no assurance that the Bank will be able to do this. Nor can there be any assurance that any eligible projects (where applicable) will be completed within any specified period or at all or with the results or outcome (whether or not related to sustainability) as originally expected or anticipated by the Bank. None of the Arrangers or Dealers will verify or monitor the application of proceeds of any Sustainable Bonds during the life of the relevant Sustainable Bonds.

Any such event or failure to apply the net proceeds of any issue of Sustainable Bonds for any eligible businesses or projects or to obtain and publish any such reports, assessments, opinions and certifications, or any withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Bank is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, and/or any such Sustainable Bonds no longer being listed or admitted to trading on any stock exchange or securities market, as aforesaid (where applicable), may have a material adverse effect on the value of such Sustainable Bonds and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Reinvestment Risk

If the Notes are redeemed early prior to a scheduled maturity for tax reasons or following an Illegality, a Disruption Event or an Administrator/Benchmark Event, an investor may not be able to reinvest the proceeds at an effective interest rate as high as the interest rate or yield (or potential interest rate or yield) on the Notes being redeemed and may only be able to do so at a significantly lower rate. Investors should consider such reinvestment risk in light of the investments available.

Administrator/Benchmark Event

The occurrence of an Administrator/Benchmark Event may cause early redemption or termination or adjustment of the Exempt Notes which may include selecting one or more successor benchmarks and making related adjustment(s) to the Exempt Notes, including if applicable to reflect increased costs. An Administrator/Benchmark Event may arise if any of the following circumstances occurs or may occur: (1) a benchmark is materially changed, permanently or indefinitely cancelled or an official sector entity prohibits its use, (2) (i) the relevant authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the benchmark or the administrator or sponsor of the benchmark is not obtained, (ii) an application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is rejected or (iii) any authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or inclusion in any official register is withdrawn, or (3) a relevant supervisor officially announces the benchmark is or will be no longer representative of any relevant underlying market(s). If the Exempt Notes are redeemed or terminated for an Administrator/Benchmark Event there is no guarantee that the amount paid to investors will be equal to or higher than the investor's initial investment in the relevant Exempt Notes and such amount may be substantially less than the investor's initial investment.

Notes involving interest may be subject to Canadian Usury Laws

All Notes issued under the Programme are governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Criminal Code (Canada) prohibits the receipt of "interest" at a "criminal rate" (namely, an effective annual rate of interest that exceeds 60 per cent., or any other rate as may be prescribed from time to time pursuant to applicable Canadian federal usury laws). Accordingly, the provisions for the payment of interest or a Final Redemption Amount in excess of the aggregate nominal amount of the Notes may not be enforceable if the provision provides for, or results in, the payment of "interest" in excess of an effective annual rate of interest of 60 per cent. (or any other rate as may be prescribed from time to time pursuant to applicable Canadian federal usury laws). If any Notes are found not to be enforceable in whole or in part as a result of such prohibition, Noteholders may not be able to collect some or all of the interest owing on the Notes. On June 22, 2023, the Budget Implementation Act (Bill C-47) received Royal Assent and became law in Canada. Bill C-47, among other things, amends the Criminal Code (Canada) to change the method of calculating the criminal rate of interest from an effective rate to an annual percentage rate and to lower the rate to a rate in excess of 35 per cent. and is set to come into force on a day or days to be fixed by order of the Governor in Council.

Risks related to payment on the Notes in an Alternative Currency

The Bank's primary obligation is to make all payments of interest, principal and other amounts with respect to Notes in the relevant Specified Currency. However, if Alternative Currency Payment is specified to be applicable to the Notes and if access to the Specified Currency becomes restricted, the Bank will be entitled to make any such payment in the Alternative Currency at the rates, and in the manner, set out in Condition 6(f).

In such case, the value of the Notes could therefore be affected by fluctuations in the value of the Specified Currency, as compared to the Alternative Currency. There is a risk that the exchange rate (or the exchange rates) used to determine the Alternative Currency amount of any payments in respect of the Notes may significantly change (including changes due to devaluation or revaluation of the Specified Currency) or that authorities with jurisdiction over such currencies could cause a decrease in (1) the Alternative Currency equivalent yield on the Notes, (2) the Alternative Currency equivalent value of the amount payable in respect of any other amount payable on the Notes and (3) the Alternative Currency

equivalent market value of the Notes. Therefore, there is a possibility that the Alternative Currency value of the Notes at the time of any sale or payment, as the case may be, of the Notes may be below the Alternative Currency value of the Notes on investing, depending on the exchange rate at the time of any such sale or payment, as the case may be.

4. Notes denominated in Renminbi are subject to additional risks.

Notes denominated in Renminbi ("**RMB Notes**") may be issued under the Programme. RMB Notes contain particular risks for potential investors, including:

Renminbi is not completely freely convertible; there are significant restrictions on remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of RMB Notes

Renminbi is not completely freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies. However, there has been significant reduction in control by the PRC government in recent years, particularly over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi into and out of the PRC for the settlement of capital account items, such as capital contributions, debt financing and securities investment is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant currency control authorities or a close review by qualified local banks, on a case-by-case basis and is subject to a strict monitoring system.

Qualified participating banks (the "**Participating Banks**") and clearing banks outside the PRC have already been permitted to engage in the settlement of current account trade transactions in Renminbi. Although regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items continue to develop gradually, the Participating Banks have been permitted to settle designated capital account items (e.g. direct capital investment and approved securities investments).

Although effective from 1 October 2016 the Renminbi was included in the Special Drawing Right basket as the fifth currency, along with the U.S. dollar, the euro, Japanese yen and sterling, there is no assurance that the PRC government will continue to liberalise control over cross-border Renminbi remittances in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. If the Bank decided to remit some or all of the proceeds of issue of RMB Notes into the PRC in Renminbi, its ability to do so will be subject to obtaining (without guarantee) all necessary approvals from, or registration with, the relevant PRC government authorities. If the Bank does remit some or all of the proceeds of issue of RMB Notes into the PRC in Renminbi and the Bank subsequently is not able to repatriate funds outside the PRC in Renminbi, this may affect the ability of the Bank to source Renminbi to perform its obligations under the RMB Notes.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the RMB Notes and the Bank's ability to source Renminbi outside the PRC to service such RMB Notes

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. Whilst the People's Bank of China (the "**PBoC**") has established Renminbi clearing and settlement mechanisms and entered into agreements on the clearing

of Renminbi business with financial institutions that have been permitted to engage in the settlement of transactions in Renminbi in a number of financial centres and cities (the "**Renminbi Clearing Banks**"), the current size of Renminbi denominated financial assets outside the PRC remains limited.

The Participating Banks do not have direct Renminbi liquidity support from the PBoC. The Renminbi Clearing Banks only have access to onshore liquidity support from the PBoC for the purpose of squaring open positions of Participating Banks for limited types of transactions and are not obliged to square for Participating Banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the Participating Banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

The offshore Renminbi market is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the agreements on the clearing of Renminbi entered into by the PBoC and the relevant Renminbi Clearing Bank will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the RMB Notes. To the extent the Bank is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Bank will be able to source such Renminbi on satisfactory terms, if at all.

An investment in the RMB Notes is subject to exchange rate risks

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. In 2015, the PBoC implemented changes to the way it calculates the Renminbi's daily midpoint against the U.S. dollar to take into account market-maker quotes before announcing such daily midpoint. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against other currencies. Except in the limited circumstances as described in the Conditions, the Bank will make all payments of interest and principal with respect to the RMB Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. dollars or other applicable foreign currency terms may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other applicable foreign currency, the value of a Noteholder's investment in U.S. dollar or other applicable foreign currency terms will decline.

An investment in the RMB Notes is subject to currency risk

If the Bank is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the RMB Notes when due, in whole or in part, in Renminbi in the relevant RMB Settlement Centre(s) as a result of Inconvertibility, Non-transferability or Illiquidity, the Bank shall be entitled, on giving not less than five nor more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, to settle any such payment, in whole or in part, in U.S. dollars on the due date at the U.S. Dollar Equivalent (as defined in the Conditions) of any such interest or principal amount otherwise payable in Renminbi, as the case may be. See also "Exchange rate risks and exchange controls" below.

Payments in respect of the RMB Notes may be made only in the manner designated in the RMB Notes

Holders of beneficial interests in the RMB Notes may be required to provide certifications and other information (including Renminbi account information) in order to allow such holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for the Participating Banks in the relevant RMB Settlement Centre(s) (as defined in the Conditions).

All Renminbi payments to investors in respect of the RMB Notes will be made solely (i) for so long as the RMB Notes are represented by global certificates held with the common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg or any alternative clearing system, by transfer to a Renminbi bank account maintained in the relevant RMB Settlement Centre in accordance with prevailing rules and procedures of those clearing systems or (ii) for so long as the RMB Notes are in definitive form, by transfer to a Renminbi bank account maintained in the relevant RMB Settlement Centre in accordance with prevailing rules and regulations. Other than as described in the Conditions, the Bank cannot be required to make payment in relation to RMB Notes by any other means (including in any other currency or by transfer to a bank account in the PRC).

Risk of increased interest rate volatility

The PRC government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions. In the case of RMB Notes carrying a fixed interest rate, the trading price of the RMB Notes will vary with fluctuations in the Renminbi interest rates.

There may be PRC tax consequences with respect to investment in the RMB Notes

In considering whether to invest in the RMB Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of a Noteholder's investment in the RMB Notes may be materially and adversely affected if the Noteholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those RMB Notes.

5. Risks related to the Notes generally

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

Modification, Waivers and Substitution

The Terms and Conditions of the Notes contain provisions for calling meetings (including at a physical location or by way of an electronic platform (such as a conference call or videoconference) or a combination thereof) of Noteholders, passing written resolutions or obtaining electronic consents to consider matters affecting their interests generally. These provisions permit defined majorities to bind (and to modify or waive certain Terms and Conditions of the Notes or covenants and agreements made by the Bank) all Noteholders including Noteholders who did not attend and vote at the relevant meeting, sign a written resolution or provide an electronic consent and Noteholders who voted in a manner contrary to the majority, provided that an amendment, modification or variance that may affect the recognition of Bail-inable Notes by the Superintendent as TLAC, or any changes pursuant to the benchmark discontinuation provisions in Condition 4(n), 4(o) or 4(p) that would change the effective maturity date of the Bail-inable Notes, shall be of no effect unless the prior approval of the Superintendent has been obtained. The Terms and Conditions of the Notes also provide that if the Branch of Account is not in Canada, the Bank may change the Branch of Account for the deposits evidenced by a Note upon and subject to the provisions set forth in Condition 18.

In addition, pursuant to Condition 4(n),4(o) or 4(p) certain changes may be made to the interest calculation provisions of the Floating Rate Notes or Fixed Rate Reset Notes in the circumstances set out in Condition 4(n), 4(o) or 4(p), without the requirement for the consent of the Noteholders. See

"Floating Rate and Range Accrual Notes linked to "benchmarks" such as EURIBOR and other benchmark indices".

Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Bank where a determination is made that the Bank has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in Noteholders or beneficial owners of Notes being exposed to losses.

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the Bank Act, the Superintendent, after providing the Bank with a reasonable opportunity to make representations, is required to provide a report to CDIC, Canada's resolution authority. Following receipt of the Superintendent's report, CDIC may request the Minister of Finance to recommend that the Governor in Council (Canada) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) make, and on such recommendation, the Governor in Council (Canada) may make, one or more of the following orders (each, an "**Order**"):

- vesting in CDIC the shares and subordinated debt of the Bank specified in the Order (a "**Vesting Order**");
- appointing CDIC as receiver in respect of the Bank (a "**Receivership Order**");
- if a Receivership Order has been made, directing the Minister of Finance to incorporate a federal institution designated in the Receivership Order as a bridge institution wholly-owned by CDIC and specifying the date and time as of which the Bank's deposit liabilities are assumed by such bridge institution (a "**Bridge Bank Order**"); or
- if a Vesting Order or Receivership Order has been made, directing CDIC to carry out a conversion, by converting or causing the Bank to convert, in whole or in part – by means of a transaction or series of transactions and in one or more steps – the shares and liabilities of the Bank that are subject to the Bail-in Regime into common shares of the Bank or any of its affiliates (a "**Conversion Order**").

Following a Vesting Order or a Receivership Order, CDIC will assume temporary control or ownership of the Bank and will be granted broad powers under that Order, including the power to sell or dispose of all or a part of the assets of the Bank, and the power to carry out or cause the Bank to carry out a transaction or a series of transactions the purpose of which is to restructure the business of the Bank.

Under a Bridge Bank Order, CDIC has the power to transfer the Bank's insured deposit liabilities and certain assets and other liabilities of the Bank to a bridge institution. Upon the exercise of that power, any assets and liabilities of the Bank that are not transferred to the bridge institution would remain with the Bank, which would then be wound up. In such a scenario, any liabilities of the Bank, including any outstanding Notes, that are not assumed by the bridge institution could receive only partial or no payment in the ensuing wind-up of the Bank.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Bank, this could result in holders or beneficial owners of Notes being exposed to losses.

Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada

The Bank has operations in a number of countries outside of Canada, including in particular the United States and the UK. In accordance with the Financial Stability Board's "Key attributes of effective Resolution Regimes for Financial Institutions" dated October 15, 2014, local resolution authorities should have resolution powers over local branches of foreign firms and the capacity to use their powers either to support a resolution carried out by a foreign home authority (for example, by ordering a transfer of property located in its jurisdiction to a bridge institution established by the foreign home authority) or, in exceptional cases, to take measures on its own initiative where the foreign home authority is not taking action or acts in a manner that does not take sufficient account of the need to preserve the local jurisdiction's financial stability or where other relevant conditions are met.

The UK has implemented such powers and, as such, they may apply to the Bank's London branch. It is therefore possible that resolution authorities in countries where the Bank has branches or assets, including the United States and the UK, may adversely affect the rights of holders of the Notes, including by using any powers they may have to write down or convert the Notes (particularly those governed by local law where the Branch of Account specified in the applicable Final Terms is in the relevant local jurisdiction). For further information on the risks related to the use of resolution powers by authorities in the UK, please see "UK resolution risks applicable to the Notes" above.

No obligation to maintain listing

The Bank is not under any obligation to Noteholders to maintain any listing of Notes. If at any time the Bank, after exhausting its reasonable endeavours, is unable to comply with the requirements for maintaining the listing of the Notes on any such stock exchange on which the Notes are listed or if the Bank in good faith determines the maintenance of such listing has become unduly onerous, the Bank will use its reasonable endeavours to obtain and maintain a listing of the Notes on some other major stock exchange or exchanges in the EEA or the UK determined by it (including a market which is not a Regulated Market or a market outside of the EEA or the UK) provided such stock exchange shall be commonly used for the listing and trading of debt securities in the international bond markets.

Although there is no assurance as to the liquidity of any Notes as a result of the listing on a regulated market for the purposes of MiFID II in the EEA or UK MiFIR in the UK or any other market, de-listing such Notes may have a material effect on an investor's ability to (i) continue to hold such Notes, (ii) resell the Notes in the secondary market or (iii) use the Notes as eligible collateral.

Market perceptions concerning the instability of the euro, the potential re-introduction of individual currencies within the Euro-zone, or the potential dissolution of the euro entirely, could adversely affect the value of the Notes

As a result of the credit crisis in Europe, in particular in Greece, Italy, Ireland, Portugal and Spain, the European Commission created the European Financial Stability Facility and the European Financial Stability Mechanism to provide funding to Euro-zone countries in financial difficulties that seek such support. Despite these measures, concerns persist regarding the debt burden of certain Euro-zone countries and their ability to meet future financial obligations, the overall stability of the euro and the suitability of the euro as a single currency given the diverse economic and political circumstances in individual Member States of the EEA. These and other concerns could lead to the re-introduction of individual currencies in one or more Member States of the EEA, or, in more extreme circumstances, the possible dissolution of the euro entirely. Should the euro dissolve entirely, the legal and contractual consequences for holders of euro-denominated obligations would be determined by laws in effect at

such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Notes.

Investors who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination and may be tradeable in the clearing systems in the minimum Specified Denomination and one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in the clearing systems in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In addition, in the case of a partial Bail-in Conversion of Bail-inable Notes or any resolution action in respect of Senior Notes generally, a holder may as a result of such partial Bail-in Conversion and any other resolution action end up with an amount that is less than a Specified Denomination. In such a case, a Noteholder who, as a result of trading such amounts or such partial Bail-in Conversion and any other resolution action, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at, or in excess of, the minimum Specified Denomination such that it is holding amounts to at least the minimum Specified Denomination. Further, a holder who, as a result of trading such amounts or such partial Bail-in Conversions and any other resolution action, 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 at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination before definitive Notes are issued to such holders.

If such Notes are issued in definitive form, Noteholders 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.

Change of law

The Terms and Conditions of the Notes are based on the laws of the Province of Ontario and the federal laws of Canada applicable therein in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the Province of Ontario or the federal laws of Canada applicable therein or administrative practice after the date of issue of the relevant Notes. Such changes in law may include, but are not limited to, changes in statutory, tax and regulatory regimes during the life of the Notes.

Change of tax law

Statements in this Prospectus concerning the taxation of investors are of a general nature and are based upon current tax law and published government or administrative practice in the jurisdictions stated. Such law and government or administrative practice is, in principle, subject to change, possibly with retrospective effect, and this could adversely affect Investors.

In addition, any change in the Bank's tax status or in taxation legislation or government or administrative practice in a relevant jurisdiction could adversely impact (i) the ability of the Bank to service the Notes and (ii) the market value of the Notes.

Singapore taxation risk

Notes to be issued from time to time under the Programme, during the period from the date of this Prospectus to 31 December 2028, are intended to be, where applicable, "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore (the "**ITA**") pursuant to the MAS Circular FDD Cir 08/2023 entitled Qualifying Debt Securities ("**QDS**") and Primary Dealer Schemes – Extension and Refinements" issued by the Monetary Authority of Singapore (the "**MAS**") on 31 May 2023 (the "**MAS Circular 08/2023**"), subject to the fulfilment of certain conditions as further described under "*Taxation - Singapore*". However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith under the ITA should the relevant tax laws or MAS circulars be amended or revoked at any time, which amendment or revocation may be prospective or retroactive.

Potential conflict of Interest

Where the Calculation Agent is the Bank or an affiliate of the Bank, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Exempt Notes that may influence the amount receivable in respect of the Exempt Notes. In addition to providing calculation agency services to the Bank, the Calculation Agent and/or any of its affiliates may perform further or alternative roles relating to the Bank and any Series of Exempt Notes including, but not limited to, for example, making certain other determinations with regard to the Exempt Notes, indices, underlyings or otherwise, and/or being involved in arrangements relating to any underlying(s) (for example in the case of a proprietary index for example, as index sponsor). Furthermore, the Calculation Agent and/or any of its affiliates may contract with the Bank and/or enter into, or be interested in, transactions which relate to the Bank or the Exempt Notes or any underlying and/ or trading activities related to the reference rates or assets that are not for the account of Noteholders or on their behalf. As a result the Calculation Agent may face a conflict between its obligations as Calculation Agent and its and/or its affiliates' interests in other capacities, for example, facilitating transactions, including block trades and options and other derivatives transactions, for their customers and in accounts under their management. These trading activities, if they influence the price or the level of the reference rates or assets, could be adverse to the interests of the Noteholders. Subject to all regulatory obligations, none of the Bank, the Calculation Agent or their respective affiliates in respect of the Exempt Notes shall owe any duty or responsibility to any Noteholder to avoid any conflict or to act in the interests of any Noteholder. The Calculation Agent shall not have any responsibility to any Noteholder for any errors or omissions in any calculations or determinations in respect of the Exempt Notes and does not assume any obligations towards or relationship of agency or trust for or with any Noteholder.

The Bank, the Calculation Agent and/or any of their respective affiliates may be the sponsor of an underlying index and may publish values or prices in respect of such index. The Bank, the Calculation Agent and/or any of their respective affiliates may also from time to time engage in transactions involving such index or the underlying constituents for such index for their proprietary accounts or for other accounts under their management, subject to requirements of all applicable laws and regulations. The Bank, the Calculation Agent and/or any of their respective affiliates may also issue other derivative instruments in respect thereof. The Bank, the Calculation Agent and/or any of their respective affiliates may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Notes or may act as financial adviser to certain companies or companies whose securities are underlying constituents of the index in respect of one or more issues of Exempt Notes or in a commercial banking capacity for such companies. These activities may have a positive or negative effect on the value of the underlying constituents of such index and consequently upon the value of the Exempt Notes.

The Bank, the Calculation Agent and/or any of their respective affiliates may have previously published, and may in the future publish, research reports relating to any index or its underlying constituents. The

views expressed in this research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Exempt Notes. Any of these activities may affect the levels, values or prices of the index and its underlying components and, therefore, the market value of the Exempt Notes. Moreover, other professionals who deal in these markets may at any time have views that differ significantly from the Bank, the Calculation Agent and/or any of their respective affiliates.

The Bank, the Calculation Agent, the Dealers and/or any of their respective affiliates may at the date hereof or at any time hereafter be in possession of information in relation to an underlying constituent of an index in respect of Exempt Notes that is or may be material and may or may not be publicly available to Noteholders. There is no obligation on any of the Bank, the Calculation Agent, the Dealers and/or any of their respective affiliates to disclose to any potential investors in Exempt Notes or to Noteholders any such information.

The Bank, the Calculation Agent, the Dealers and/or any of their respective affiliates may have existing or future business relationships with the issuer of, or other entity associated with, any underlying constituent of an index in respect of Exempt Notes (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

Bank liable to make payments when due on the Notes; no deposit insurance

The Bank is liable to make payments when due on the Notes. The Notes, which constitute deposit liabilities of the Bank for purposes of the Bank Act, will not be insured under the Canada Deposit Insurance Corporation Act or any other governmental insurance scheme of any other country, and will constitute legal, valid and binding direct, unconditional, unsubordinated and unsecured obligations of the Bank and rank at least *pari passu* with all other unsubordinated and unsecured obligations of the Bank, present and future (except as otherwise prescribed by law and subject to the exercise of bank resolution powers) and without any preference among themselves.

Section 871(m) withholding may affect payments on the Exempt Notes

Section 871(m) of the Internal Revenue Code of 1986, as amended (the "**Code**"), and U.S. Treasury regulations promulgated thereunder impose a 30 per cent. withholding tax on amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments that have an expected economic return sufficiently similar to that of an underlying U.S. security (such instruments, "**Specified Notes**") if certain conditions are met. If the Bank or any withholding agent determines that withholding is required, neither the Bank nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to the section *"Taxation—Section 871(m)*".

For purposes of withholding under the U.S. Foreign Account Tax Compliance Act, commonly known as FATCA, Specified Notes are subject to a different grandfathering rule than other Notes. Prospective investors should refer to the section *"Taxation—U.S. Foreign Account Tax Compliance Act"*.

The purchase price of a Note may not reflect its inherent value

Prospective investors in the Notes should be aware that the purchase price of a Note does not necessarily reflect its inherent value. Any difference between a Note's purchase price and its inherent value may be due to a number of different factors including, without limitation, prevailing market conditions and fees, discounts or commissions paid or earned by the various parties involved in

structuring and/or distributing the Note. Any such difference will result in a decrease in the value of an issue of Notes, particularly in relation to any such Notes sold immediately following the issue date or offer period relating to such Notes.

For further information prospective investors should refer to the party from whom they are purchasing the Notes. Prospective investors may also wish to seek an independent valuation of Notes prior to their purchase.

6. 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:

Risks relating to 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 liquid and may be sensitive to changes in financial markets. 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 liquid 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 and investors may suffer losses on the Notes in secondary market transactions even if there is no decline in the performance of the Bank. Accordingly, the Notes should not be viewed as trading instruments and investors should be prepared to hold the Notes to maturity. In addition, liquidity may be limited if the Bank makes large allocations to a limited number of investors.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Prospectus), whereby there is a potential lack of liquidity in the secondary market for instruments similar to the Notes. Such a lack of liquidity may result in Noteholders suffering losses in secondary market resales even if there is no decline in the performance of the assets of the Bank. The Bank 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 Bank will pay principal and interest on the Notes in (a) the Specified Currency, or (b) if Alternative Currency Payment is specified to be applicable to the Notes, the Alternative Currency or (c) if the alternative currency payment provisions applicable to the RMB Notes are triggered, U.S. dollars (such relevant currency of payment being, the "**Settled 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 Settled Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settled 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 Settled 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 or receive payments in a significantly devalued Specified Currency.

Fixed Rate Notes bear interest at a fixed rate, which may affect the secondary market value and/or the real value of the Notes over time due to fluctuations in market interest rates and the effects of inflation

Fixed Rate Notes bear interest at a fixed rate. Investors should note that (i) if market interest rates start to rise then the income to be paid on Fixed Rate Notes might become less attractive and the price the investors may get if they sell such Fixed Rate Notes could fall and (ii) inflation will reduce the real value of the Fixed Rate Note over time which may affect what investors can buy with the investments in the future and which may make the fixed interest rate on the Fixed Rate Notes less attractive in the future.

Credit ratings may not reflect all risks and are subject to change

One or more independent credit rating agencies may assign credit ratings to the Bank or the Notes. The ratings might not reflect the potential impact of all risks related to the Bank or the 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, suspended or withdrawn by the rating agency at any time. Investors may suffer losses if a credit rating assigned to the Notes does not reflect the then creditworthiness of such Notes.

In general, European regulated investors are restricted under the EEA CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EEA CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EEA CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the EEA CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the EEA CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory

treatment, which may adversely impact the value of the Notes and their liquidity in any secondary market.

Certain information with respect to the credit rating agencies is set out on the cover of this Prospectus and in the section “Important Notice – Credit Rating Agencies”.

There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. In the event that a rating assigned to the Notes or the Bank is subsequently suspended, lowered or withdrawn for any reason and no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes, the Bank may be adversely affected, the market value of the Notes is likely to be adversely affected and the ability of the Bank to make payments under the Notes may be adversely affected.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and have been filed with the FCA shall be incorporated in, and form part of, this Prospectus:

(1) the annual information form for the year ended October 31, 2022 dated December 1, 2022 (the "**2022 AIF**");

(2) the audited consolidated financial statements, which comprise the consolidated balance sheet as at October 31, 2022 and October 31, 2021 and the consolidated statements of income, changes in equity, comprehensive income and cash flows for the years ended October 31, 2022 and October 31, 2021 and notes, comprising a summary of significant accounting policies and other explanatory information (the "**2022 Financial Statements**"), prepared in accordance with IFRS, together with the auditor's reports thereon (excluding, for the avoidance of doubt, the auditor's report on internal control over financial reporting under Standards of the Public Company Accounting Oversight Board (United States));

(3) management's discussion and analysis for the year ended October 31, 2022 *excluding* the third paragraph in the section entitled 'Significant Events' appearing on page 28 thereof (the "**2022 MD&A**");

(4) unaudited interim consolidated financial statements for the three-month and six-month periods ended April 30, 2023 with comparative unaudited interim consolidated financial statements for the three-month and six-month periods ended April 30, 2022 (the "**Second Quarter 2023 Interim Financial Statements**");

(5) management's discussion and analysis for the three-month and six-month periods ended April 30, 2023 (the "**Second Quarter 2023 MD&A**" and, together with the Second Quarter 2022 Interim Financial Statements, the "**Second Quarter 2023 Report**"); and

(6) the sections entitled "Terms and Conditions of the Notes" set out in the prospectuses dated July 15, 2022, July 16, 2021, July 16, 2020, July 11, 2019, September 24, 2018, January 19, 2018, January 20, 2017 and January 22, 2016, relating to the Programme (for the avoidance of doubt, the applicable Final Terms for a Tranche of Notes will indicate the Terms and Conditions applicable to such Tranche and unless otherwise indicated in the applicable Final Terms, the Terms and Conditions of all Notes issued after the date hereof shall be those set out in this Prospectus).

Any information contained in a document incorporated by reference herein which is not incorporated in, and does not form part of, this Prospectus is either not relevant for investors or is contained elsewhere in this Prospectus. For the purposes of the UK Prospectus Regulation as implemented in the UK, any information contained in documents incorporated by reference by documents which are themselves incorporated by reference in this Prospectus, shall not form part of this Prospectus.

Following the publication of this Prospectus one or more supplements may be prepared by the Bank and approved by the FCA in accordance with Article 23 of the UK Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference

in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of this Prospectus, any supplementary prospectus and the documents incorporated by reference in this Prospectus and any supplementary prospectus can be obtained (i) from the website of the Regulatory News Service operated by the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html under "Bank of Montreal" and the headline "Publication of Prospectus" and (ii) on written request and without charge at the specified office in London, England of HSBC Bank plc, the initial issuing and principal paying agent for the Notes (the "**Agent**") and can be obtained without charge at the Corporate Secretary's Office of the Bank, 100 King Street West, 1 First Canadian Place, 11th Floor, Toronto, Ontario, Canada, M5X 1A1.

In the case of Notes to be admitted to the Market, the Bank will, in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new Prospectus (in each case, published in accordance with the UK Prospectus Regulation) for use in connection with any subsequent issue of Notes. The Bank has undertaken to the Dealers in the Programme Agreement (as defined in "**Subscription and Sale**") that it will comply with section 87G of the FSMA.

For the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on the above websites does not form part of this Prospectus.

Except for (i) the financial information in respect of the year ended October 31, 2022 contained in the 2022 MD&A incorporated by reference herein (which has been prepared in accordance with Canadian generally accepted accounting principles as defined at that time) and (ii) the non-GAAP measures included in the Bank's 2022 MD&A and Second Quarter 2023 MD&A (whose basis of preparation is specified therein), the financial information of the Bank incorporated by reference or otherwise contained in this document has been prepared in accordance with IFRS.

DOCUMENTS INCORPORATED BY REFERENCE FOR EXEMPT NOTES (OTHER THAN ISM NOTES)

In relation to Exempt Notes (other than ISM Notes), in addition to the documents noted in the preceding section, the following documents published or issued from time to time after the date hereof shall be deemed to be incorporated in, and form part of, this document in respect of Exempt Notes (other than ISM Notes):

(a) the Bank's most recently published annual information form;

(b) the Bank's most recently audited consolidated financial statements, together with the auditor's report thereon (excluding, for the avoidance of doubt, management's report on internal control over financial reporting and the report of the independent registered public accounting firm thereon) and management's discussion and analysis for the year then ended and, if published later, the Bank's comparative unaudited interim consolidated financial statements and management's discussion and analysis for the period then ended contained in the most recently published Quarterly Report to Shareholders; and

(c) any material change reports (excluding confidential material change reports) filed by the Bank with the various securities commission or similar authorities in Canada pursuant to the requirements of applicable securities legislation, after the date of this document and during the currency of this document;

provided that any statement contained herein or in a document all or the relative portion of which is or is deemed to be incorporated by reference shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein, in any other subsequently filed document which is or is deemed to be incorporated by reference in this document, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Documents (a) to (c) above do not form part of this Prospectus for the purposes of the UK Prospectus Regulation (unless otherwise incorporated in this Prospectus pursuant to a supplement under Article 23 of the UK Prospectus Regulation) and in relation to Exempt Notes neither the FCA nor the London Stock Exchange has approved or reviewed the contents of this Prospectus.

Copies of the documents incorporated by reference in this section can be obtained: (i) from the website of the Regulatory News Service operated by the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html under "Bank of Montreal"; and (ii) on written request and without charge at the specified office in London, England of the Agent and can be obtained without charge at the Corporate Secretary's Office of the Bank, 100 King Street West, 1 First Canadian Place, 11th Floor, Toronto, Ontario, Canada, M5X 1A1.

DOCUMENTS INCORPORATED BY REFERENCE FOR ISM NOTES

In relation to ISM Notes only (and not in relation to any other Notes), in addition to the documents noted in the two preceding sections: (i) any annual report (including the auditor's reports and audited consolidated financial statements) or unaudited consolidated interim financial statements prepared; or (ii) inside information as required to be made public under Regulation (EU) No.596/2016 on market abuse as it forms part of domestic law by virtue of the EUWA in relation to the Bank and filed with the FCA from time to time after the date of this document is additionally deemed to be incorporated in and to form part of the Admission Particulars as and when such future financial statements or inside information are published in accordance with the ISM Rulebook.

In the case of ISM Notes, the Bank will, if there is significant change to any matter in the Admission Particulars the inclusion of which is required by Section 80 of the FSMA, the ISM Rulebook or the London Stock Exchange, or a significant new matter arises, the inclusion of information in respect of which would have been so required if it had arisen when the Admission Particulars were prepared, prepare an appropriate amendment or supplement to this Prospectus which, in respect of any subsequent issues of ISM Notes, shall constitute supplementary admission particulars as required by the ISM Rulebook. The Bank has undertaken to the Dealers in the Programme Agreement (as defined in "Subscription and Sale" below) that it will comply with the ISM Rulebook. Statements contained in in any future document incorporated by reference in the Admission Particulars and any supplementary admission particulars (or contained in any document incorporated by reference in such supplementary admission particulars) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in the Admission Particulars or in a document which is incorporated by reference in the Admission Particulars. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of the Admission Particulars.

The documents listed at (i) and (ii) in the first paragraph above do not form part of this Prospectus for the purposes of the UK Prospectus Regulation (unless otherwise incorporated in this Prospectus pursuant to a supplement under Article 23 of the UK Prospectus Regulation) and in relation to ISM Notes neither the FCA nor the London Stock Exchange has approved or reviewed the contents of this Prospectus.

Copies of any supplementary admission particulars (and any documents incorporated by reference therein) and the documents incorporated by reference in this section can be obtained: (i) from the website of the Regulatory News Service operated by the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html under "Bank of Montreal"; and (ii) on written request and without charge at the specified office in London, England of the Agent and can be obtained without charge at the Corporate Secretary's Office of the Bank, 100 King Street West, 1 First Canadian Place, 11th Floor, Toronto, Ontario, Canada, M5X 1A1.

ISSUE OF NOTES

Notes will be issued on a continuous basis in series (each, a "**Series**") having one or more issue dates. Notes of the same Series shall have identical terms (or identical other than in respect of the first payment of interest), it being intended that each Note of a Series will be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each, a "**Tranche**") on different issue dates and at different issue prices. The specific terms of each Tranche will be set forth in Final Terms to this Prospectus ("**Final Terms**").

SUPPLEMENTARY PROSPECTUSES

The Bank will, in the event of any significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus (as amended and supplemented by any prior supplementary prospectus) which is capable of affecting the assessment of any Notes, prepare or procure the preparation of a supplementary prospectus which shall amend and/or supplement this Prospectus (as amended and supplemented from time to time) or publish a new Prospectus in compliance with Article 23 of the UK Prospectus Regulation prior to completing any subsequent offering by the Bank of Notes to be listed on the Main Market.

This Prospectus is valid for 12 months from its date. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once this Prospectus is no longer valid.

The Bank will comply with the ISM Rulebook in respect of any offerings by the Bank of Notes to be admitted to trading on the ISM and shall prepare supplementary admission particulars where required by the ISM Rulebook.

FINAL TERMS, PRICING SUPPLEMENT AND DRAWDOWN PROSPECTUS

In this section the expression "necessary information" means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Bank, of the rights attaching to the Notes and the reasons for the issuance and its impact on the Bank.

Such necessary information will be contained in this Prospectus, and the applicable Final Terms or Pricing Supplement (in the case of ISM Notes) unless, in accordance with Article 23 of the UK Prospectus Regulation or the ISM Rulebook, as the case may be, any of such necessary information constitutes a significant new factor relating to the information contained in this Prospectus in which case such information, together with all of the other necessary information in relation to the Notes, may be contained in a supplement to this Prospectus or a Drawdown Prospectus.

For a Tranche of Notes that is the subject of the Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Prospectus and must be read in conjunction with this Prospectus (as may be supplemented). The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Terms and Conditions as completed to the extent described in the applicable Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus or, in the case of Exempt Notes, a Pricing Supplement, will be the Terms and Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus or Pricing Supplement, as the case may be. In the case of a Tranche of Notes that is the subject of a Drawdown Prospectus or, in the case of Exempt Notes, a Pricing Supplement, each reference in this Prospectus to information being specified or identified in the applicable "Final Terms" shall be read and construed as a reference to the relevant Drawdown Prospectus or Pricing Supplement, as the case may be, unless the context requires otherwise.

Each Drawdown Prospectus will be a single document containing the necessary information relating to the Bank and the relevant Notes.

With respect to a Tranche of Notes to be admitted to listing or trading, the applicable Final Terms or Pricing Supplement (in the case of ISM Notes) will be delivered to the FCA or the London Stock Exchange, as applicable, and published in accordance with the UK Prospectus Regulation or the ISM Rulebook on or before the date of issue of the Notes of such Tranche, and the applicable Drawdown Prospectus or Drawdown Admission Particulars, as applicable, will be approved by the FCA or the London Stock Exchange, respectively, and published in accordance with the UK Prospectus Regulation or the ISM Rulebook on or before the date of issue of the Notes of such Tranche.

ISSUE PROCEDURES

Notes will be issued in bearer form. The applicable Final Terms will specify whether TEFRA C or TEFRA D Rules apply or, in the case of Notes with a maturity of one year or less, that the TEFRA Rules are not applicable. If TEFRA C Rules apply, each issue of Notes will initially be represented by a permanent global Note, without interest coupons or talons. If TEFRA D Rules apply, each issue of Notes will initially be represented by one or more temporary global Notes, without interest coupons or talons.

Each Tranche of Notes will either initially be represented by one or more temporary global Notes which (i) if the temporary global Notes are intended to be issued in new global note ("**NGN**") form as specified in the applicable Final Terms, will be delivered on or prior to the relevant Issue Date to a common safekeeper (the "**Common Safekeeper**") for Euroclear and/or Clearstream, Luxembourg; or (ii) if the temporary global Notes are intended to be issued in classic global note ("**CGN**") form as specified in the applicable Final Terms, will be delivered on or prior to the relevant Issue Date to a depositary or common depositary outside of the United States on behalf of Euroclear and/or Clearstream, Luxembourg (the "**Common Depositary**"). 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 Bank and Agent.

If the global Note is in NGN form, Euroclear and/or Clearstream, Luxembourg will be notified by or on behalf of the Bank as to whether or not such global Note is intended to be held in a manner which would allow Eurosystem eligibility. Depositing the global Note with the Common Safekeeper 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 time or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. As of April 16, 2018, unsecured bank bonds issued by credit institutions not established in the EU (including the Senior Notes) denominated in any currency are no longer eligible to be used as collateral in the Eurosystem.

Beneficial interests in a temporary global Note will be exchangeable for beneficial interests in a permanent global Note on or after the date falling not earlier than 40 days after the relevant issue date upon certification as to non-United States beneficial ownership (other than certain foreign branches of United States financial institutions and persons holding Notes through such foreign branches, to the extent permitted by United States Treasury Regulations). Notwithstanding the foregoing, each Tranche of Senior Notes having an original maturity of one year or less will initially be represented by one or more permanent global Notes deposited as aforesaid. Beneficial interests in a global Note will be credited to the securities clearance accounts of the owners of beneficial interests with the relevant clearing system. If an interest payment date for any Notes occurs while such Notes are represented by a temporary global Note, the related interest payment will be made (against presentation of the temporary global Note if the temporary global Note is issued in CGN form) only to the extent that certification of non-United States beneficial ownership has been provided by the owners of the beneficial interests to the relevant clearing system and a like certification (based on the certifications the clearing system has received) has been given by that clearing system to the Agent. No payment of principal or interest (if any) will be made on a temporary global Note on or after the date falling not earlier than 40 days after the issue date unless exchange for a beneficial interest in a permanent global Note is improperly refused by the Agent. Payments of principal or interest (if any) on a permanent global Note will be made through the relevant clearing system (against presentation or surrender, as the case may be, of the permanent global Note if the permanent global Note is in CGN form) without any requirement for further certification. Beneficial interests in a permanent global Note will be exchangeable for security-printed Definitive Notes, and (unless they are Zero Coupon Notes) interest coupons and talons for

further coupons (if any) attached only in the limited circumstances described under "Terms and Conditions of the Notes — Definitive Notes".

The following legend will appear on all Notes:

> "The deposit to which this instrument relates is not insured under the *Canada Deposit Insurance Corporation Act*."

The following legend will appear on all permanent global Notes and Definitive Notes with an original maturity of more than 365 days and on all interest coupons and talons relating to such Notes issued where TEFRA D Rules is specified in the applicable Final Terms:

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

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

Temporary and permanent global Notes and Definitive Notes will be issued by the Agent acting on behalf of the Bank.

Any beneficial interest in a global Note of a Series that is exchanged for, or transferred to a person who takes delivery in the form of, an interest in another global Note of the same Series will, upon transfer, cease to be an interest in the former such global Note and become an interest in the other global Note and, accordingly, will thereafter be subject to all procedures applicable to beneficial interests in such other global Note for as long as it remains such an interest.

Direct Rights

Each global Note provides that the holder may cause such global Note, or a portion of it, to become due and repayable in the circumstances described under "Terms and Conditions of the Notes – Events of Default" by stating in the notice to the Agent the nominal amount of the Notes that are becoming due and repayable. If the principal in respect of such Note becoming due and repayable in such circumstances is not paid before 8.00 p.m. (London time) on the relevant due date, the holder of the global Note representing such Notes may elect for direct enforcement rights against the Bank in favour of persons with beneficial interests in such Notes equal to or greater than the Specified Denomination as accountholders within the relevant clearing systems. Following any such election of direct rights, the nominal amount of the global Note will be reduced by the nominal amount of the Notes subject to the election.

PRO FORMA FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche issued under the Programme admitted to a Regulated Market.

[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [MiFID II / Directive 2014/65/EU (as amended, "MiFID II")]; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][1]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU)

[1] Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared, in which case the selling restriction should be specified to be "Applicable".

No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "EUWA"); (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.][2]

[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (the "SFA") - [*To insert notice if classification of the Notes is not "prescribed capital markets products" and "Excluded Investment Products", pursuant to Section 309B of the SFA*].][3]

[***The following language applies if the Notes are intended to be "qualifying debt securities" (as defined in the Income Tax Act 1947 of Singapore*)*:***

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the "**ITA**") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.][4]

[THESE NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART – BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS – INTO COMMON SHARES OF BANK OF MONTREAL OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE *CANADA DEPOSIT INSURANCE CORPORATION ACT* (THE "CDIC ACT") AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE AND SUBJECT TO THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THE NOTES.][5]

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2 Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared, in which case the selling restriction should be specified to be "Applicable".

3 Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Bank prior to the launch of the offer, pursuant to Section 309B of the SFA.

4 The prescribed QDS legend to be included in the Final Terms may be updated from time to time pursuant to any amendments to the Income Tax Act 1947 of Singapore or the subsidiary legislations.

5 Legend to be included on front of the Final Terms if the Notes are Bail-inable Notes.

Final Terms dated [ ]

Bank of Montreal
(the "Issuer")

LEI: NQQ6HPCNCCU6TUTQYE16

Issue of [Aggregate Nominal Amount of Tranche] [Description of Notes] [Senior Notes /Principal At Risk Notes] due [Maturity Date for Notes]

under the U.S.$22,000,000,000 Note Issuance Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Prospectus dated July [14], 2023 [and the supplement[s] dated ● and dated ●], including all documents incorporated by reference ([such Prospectus as so supplemented,] the "**Prospectus**") which constitutes a base prospectus for the purposes of the UK Prospectus Regulation. As used herein, "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the UK Prospectus Regulation and must be read in conjunction with such Prospectus in order to obtain all the relevant information. The Prospectus has been published on the website of the National Storage Mechanism at *https://data.fca.org.uk/#/nsm/nationalstoragemechanism* under "Bank of Montreal".]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Prospectus dated [original date], which are incorporated by reference in the Prospectus dated July [14], 2023 which constitutes a base prospectus for the purposes of the UK Prospectus Regulation. As used herein, "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the UK Prospectus Regulation and must be read in conjunction with the Prospectus dated July [14], 2023, including the Conditions which are incorporated by reference in it [and the supplement[s] dated ● and dated ●] and including all documents incorporated by reference ([such Prospectus as so supplemented,] the "**Prospectus**") which constitutes a base prospectus for the purposes of the UK Prospectus Regulation, in order to obtain all the relevant information. The Prospectus has been published on the website of the National Storage Mechanism at *https://data.fca.org.uk/#/nsm/nationalstoragemechanism* under "Bank of Montreal".]

1.	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ]
	(iii)	Date on which the Notes will be consolidated and form a single Series:	[Not Applicable] [The Notes shall be consolidated and form a single Series and be interchangeable for trading purposes with the [ ] on [the Issue Date] [exchange of the temporary Global Note for interests in the permanent Global Note, as referred to in

		paragraph 26 below, which is expected to occur on or about [ ]].
2.	Specified Currency or Currencies:	[ ]
3.	Aggregate Nominal Amount:	
	[(i)] Series:	[ ]
	[(ii) Tranche:	[ ]]
4.	Issue Price:	[ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ]]
5.	[(i)] Specified Denomination(s):	[ ] [ ] [and integral multiples of [ ] in excess thereof up to and including [ ]. No Notes in definitive form will be issued with a denomination above [ ].]
	[(ii)] Calculation Amount:	[ ]
6.	[(i)] Issue Date:	[ ]
	[(ii)] Interest Commencement Date:	[ ] [Issue Date] [Not Applicable]
7.	Maturity Date:	[ ][, subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention] [Interest Payment Date falling in or nearest to [ ]
8.	Interest Basis:	[[ ] per cent. Fixed Rate] [[ ] per cent. to be reset on [ ] [and [ ]] and every [ ] anniversary thereafter Fixed Rate Reset] []] per cent. Fixed Rate with a Step-Up] [subject to change as indicated in paragraph 10 below] [SONIA] [€STR] [SOFR] [TONA] [SARON] [SORA] [[ ] month [currency] [EURIBOR] [CNH HIBOR] [HIBOR] [NIBOR]] [ ] +/- [ ] per cent. [Floating Rate] [subject to change as indicated in paragraph 10 below] [Range Accrual Notes] [Zero Coupon]

		(further particulars specified in paragraphs [15] [16] [17] below)
9.	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [par / [ ] per cent.] of their Nominal Amount
10.	Change of Interest:	[Not Applicable] [ ]
11.	Put/Call Options:	[Noteholder Put Option] (*Noteholders' Option not applicable to Bail-inable Notes*) [Bank Call Option] [(further particulars specified in paragraph[s] [19] [20] below)] [Not Applicable]
12.	Date(s) of [Board] approval for issuance of Notes obtained:	[ ] [Not Applicable]
13.	Principal At Risk Notes:	[Yes] [No]
14.	Bail-inable Notes:	[Yes] [No]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions:**	[Applicable] [Not Applicable]
	(i) Rate[(s)] of Interest:	[[ ] per cent. per annum payable in arrear on each Interest Payment Date] [As specified below, payable in arrear: Fixed Interest Period End Date / Rate of Interest (Step-Up) (per cent. per annum) [ ] / [ ] [ ] / [ ] [ ] / [ ] [ ] / [ ]]
	(ii) Interest Payment Date(s):	[[ ] [and [ ]] in each year, commencing [ ], up to and including the Maturity Date] [adjusted for [payment purposes only] [payment and interest accrual purposes] in accordance with the Business Day Convention specified in paragraph (iv) below]

(iii)	Adjusted Fixed Interest Periods:	[Applicable] [Not Applicable]
(iv)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(v)	Additional Business Centre(s):	[ ] [T2] [Not Applicable]
(vi)	Fixed Coupon Amount[(s)]: *(applicable to Notes in definitive form only. For the calculation of interest on Notes issued in global form see Condition 4(a))*	[[ ] per [ ] Calculation Amount]] [Not Applicable]
(vii)	Broken Amount(s): *(applicable to Notes in definitive form only. For the calculation of interest on Notes issued in global form see Condition 4(a))*	[Not Applicable] [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]].
(viii)	Day Count Fraction:	[30/360] [Actual/Actual (ICMA)] [Actual/360] [30E/360] [Actual/365 (Fixed)]
(ix)	Determination Dates:	[Not Applicable] [ ] in each year [ ]
(x)	Calculation Agent:	[[ ] shall be the Calculation Agent] [Not Applicable]
(xi)	Range Accrual:	[Applicable] [Not Applicable]
	- Single Range Accrual Note:	[Applicable] [Not Applicable]
	- Single Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
	- Specified Currency:	[ ] [As set out in item 2 above]
	- Specified Maturity:	[ ] [month[s]] [year[s]]
	- Relevant Screen Page:	[ ]
	- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
	- Relevant Financial Centre:	[ ] [Not Applicable]
	- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
	- CMS Spread:	[Applicable] [Not Applicable]

[- First Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Second Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ]
- Relevant Financial Centre:	[ ] [Not Applicable]]
- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Note:	[Applicable][Not Applicable]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]

- Relevant Financial Centre:	[ ] [Not Applicable]
- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- CMS Spread:	[Applicable] [Not Applicable]
[- First Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]

	- Specified Maturity:	[ ] [month[s]] [year[s]]
	- Relevant Screen Page:	[ ]
	- Relevant Time:	[ ]
	- Relevant Financial Centre:	[ ] [Not Applicable]
	- Second Reference Rate:	CMS
	- Specified Currency:	[ ] [As set out in item 2 above]
	- Specified Maturity:	[ ] [month[s]] [year[s]]
	- Relevant Screen Page:	[ ]
	- Relevant Time:	[ ]
	- Relevant Financial Centre:	[ ] [Not Applicable]
	- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
	- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
	- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
(xii)	Minimum Rate of Interest:	[[ ] per cent. per annum] [Not Applicable]
(xiii)	Maximum Rate of Interest:	[[ ] per cent. per annum] [Not Applicable]
16.	**Fixed Rate Reset Note Provisions:**	[Applicable] [Not Applicable]
(i)	Initial Rate of Interest:	[ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
(ii)	Interest Payment Date(s):	[ ] [and [ ]] in each year [from and including [ ]] [until and excluding [ ]]
(iii)	First Reset Date:	[ ]

(iv) Second Reset Date:	[[ ]/Not Applicable]
(v) Anniversary Date:	[[ ]/Not Applicable]
(vi) Reset Determination Dates:	[ ]
(vii) Reset Rate:	[[Semi-annual/annualised] [Mid-Swap Rate]] [Benchmark Gilt Rate][Reference Bond]
(viii) Screen Page:	[ ]/[Not Applicable]
(ix) Margin(s):	[+/-] [ ] per cent. per annum
(x) Fixed Coupon Amount[(s)] in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date:	[[ ] per Calculation Amount]
(xi) Broken Amount(s):	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/[Not Applicable]
(xii) Day Count Fraction:	[Actual/365] [Actual/365 (fixed)] [Actual/360] [30/360] [30E/360] [Actual/Actual ICMA]
(xiii) Determination Dates:	[[ ] in each year/Not Applicable]
(xiv) Calculation Agent:	[ ]
(xv) Relevant Time	[11.00a.m.]/[ ]] [Not Applicable]
(xvi) Mid-Swap Rate Notes:	[Applicable] [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
-Specified Currency:	[ ]
-Fixed Leg Day Count Fraction:	[Actual/365] [Actual/365 (fixed)] [Actual/360] [30/360] [30E/360] [Actual/Actual ICMA]
-Specified Fixed Leg:	[Annual fixed leg]/[semi-annual fixed leg]/[Quarterly fixed leg]

	-Floating Leg Day Count Fraction:	[Actual/365] [Actual/365 (fixed)] [Actual/360] [30/360] [30E/360] [Actual/Actual ICMA]
	-Floating Leg Rate Option:	[ ]/[Not Applicable]
	-Mid-Swap Maturity:	[ ]/[Not Applicable]
	(xvii) Benchmark Replacement Provisions:	[Condition 4(o) Applicable] [Condition 4(o) Not Applicable] (only relevant to SOFR. If Condition 4(o) is not specified to be applicable, then the benchmark discontinuation provisions of Condition 4(n) will apply) [Condition 4(p) Applicable] [Condition 4(p) Not Applicable] (only relevant to SARON. If Condition 4(p) is not specified to be applicable, then the benchmark discontinuation provisions of Condition 4(n) will apply) [Not Applicable]
	(xviii) Benchmark Discontinuation:	[Applicable] [Not Applicable]
	(xix) Minimum Rate of Interest:	[ ]
	(xx) Maximum Rate of Interest:	[ ]
17.	**Floating Rate Note Provisions:**	[Applicable] [Not Applicable]
	(i) Specified Period(s):	[ ] [Not Applicable]
	(ii) Specified Interest Payment Dates:	[ ] in each year (up to and including the Maturity Date) [subject to adjustment in accordance with the Business Day Convention set out in (iv) below / not subject to any adjustment, as the Business Day Convention in (iv) below is specified to be No Adjustment] [Not Applicable]
	(iii) First Interest Payment Date:	[ ]
	(iv) Business Day Convention:	[Floating Rate Convention] [Following Business Day Convention]

	[Modified Following Business Day Convention] [Preceding Business Day Convention] [No Adjustment]
(v) Additional Business Centre(s):	[ ] [T2] [Not Applicable]
(vi) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination]
(vii) Calculation Agent:	[[ ] shall be the Calculation Agent] [Not Applicable]
(viii) Screen Rate Determination:	[Applicable]
– Reference Rate:	[SONIA] [€STR] [SOFR] [SARON] [TONA] [[ ] month [EURIBOR] [CNH HIBOR] [HIBOR] [NIBOR]] [CMS Rate] [SORA]
– Applicable CMS Formula:	[CMS Reference Rate/ Leveraged CMS Reference Rate: [Standard][Floor/Cap]/ Steepener CMS Reference Rate: [Unleveraged/ Leveraged]] [Not Applicable]
	[CMS Rate:] [Reference Currency: [ ] CMS Maturity: [ ] Fixed Leg Day Count Fraction: [ ] Floating Rate Day Count Fraction: [ ] Floating Leg Rate Option: [ ] Specified Fixed Leg: [ ] Specified Frequency: [ ] Relevant Screen Page: [ ]]
	[CMS Rate 1:] [Reference Currency: [ ] CMS Maturity: [ ] Fixed Leg Day Count Fraction: [ ] Floating Rate Day Count Fraction: [ ] Floating Leg Rate Option: [ ] Specified Fixed Leg: [ ] Specified Frequency: [ ] Relevant Screen Page: [ ] Relevant Time: [ ] Relevant Financial Centre: [ ] [Not Applicable]]

[CMS Rate 2:]
[Reference Currency: [ ]
CMS Maturity: [ ]
Fixed Leg Day Count Fraction: [ ]
Floating Rate Day Count Fraction: [ ]
Floating Leg Rate Option: [ ]
Specified Fixed Leg: [ ]
Specified Frequency: [ ]
Relevant Screen Page: [ ]
Relevant Time: [ ]
Relevant Financial Centre: [ ] [Not Applicable]
]
]

Cap: [ ] per cent per annum [Not Applicable
Floor: [ ] per cent per annum [Not Applicable]
Leverage: [ ] per cent. [Not Applicable]

– Calculation Method: [Compounded Daily Rate] [Compounded Index Rate]

[Compounded Daily Rate] [Compounded Index SORA] (*in respect of SORA*)

[Not Applicable]

– Observation Method: [Lag] [Shift] *(in respect of SONIA)*

[Observation Look-back Convention] [Observation Shift Convention] (*in respect of SORA)*

[Not Applicable]

– SONIA Compounded Index: [ ] [Not Applicable] (if applicable, repeat definition of SONIA Compounded Index from the Conditions specifying any relevant Screen Page and its time of publication and including definition of Screen Page where necessary) (Only relevant to Floating Rate Notes that reference SONIA and where the Calculation Method is Compounded Index Rate)

– Relevant Time: [ ] [Not Applicable]

–	Interest Determination Date(s)[6]:	[[ ] [London Banking Day] [Zurich Banking Day] [Tokyo Banking Day] [T2 Business Day] [U.S. Government Securities Business Day] [Singapore Business Day] prior to each Interest Payment Date] [First day of each Interest Period] [Second T2 Business Day prior to the start of each Interest Period] [[ ] Business Day[s] prior to the start of each Interest Period]
–	Relevant Financial Centre:	[London] [Oslo] [Brussels] [Hong Kong] [Not Applicable]
–	Relevant Screen Page:	[Reuters page [ ]] [ ][Not Applicable]
–	Observation Look-Back Period:	[[ ] London Banking Days] [Zurich Banking Days] [Tokyo Banking Days] [Singapore Business Days] [Not Applicable]
–	Relevant Number:	[ ] [Not Applicable] *(only relevant to SONIA where the Calculation Method is Compounded Index Rate. Note that this defaults to 2 if not included in the Final Terms)*
(ix)	Linear Interpolation:	[Not Applicable] [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
(x)	Margin(s):	[[+/-][ ] per cent. per annum] [Not Applicable]
(xi)	Minimum Rate of Interest:	[[ ] per cent. per annum] [Zero per cent. per annum] [Not Applicable]
(xii)	Maximum Rate of Interest:	[[ ] per cent. per annum] [Not Applicable]
(xiii)	Day Count Fraction:	[Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [Actual/360 (Observation Period)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]

[6] For compounded rates this should align with the relevant lookback period, which should be no less than 5 business days

	[Actual/365 (Sterling)]
(xiv) ISDA Definitions:	[2006 ISDA Definitions] [2021 ISDA Definitions] [Not Applicable] (*Only relevant to SOFR*)
(xv) Range accrual:	[Applicable] [Not Applicable]
- Single Range Accrual Note:	[Applicable] [Not Applicable]
- Single Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Rate Cut Off Date:	[ ] [As provided in Condition 4(m)]
- CMS Spread:	[Applicable] [Not Applicable]
[- First Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Second Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ]
- Relevant Financial Centre:	[ ] [Not Applicable]]
- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]

- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Note:	[Applicable][Not Applicable]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR][SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]

- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
- Relevant Financial Centre:	[ ] [Not Applicable]
- CMS Spread:	[Applicable] [Not Applicable]
[- First Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Second Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
(xvii) Benchmark Replacement Provisions:	[Condition 4(o) Applicable] [Condition 4(o) Not Applicable] (only relevant to SOFR. If Condition 4(o) is not specified to be applicable, then the

		benchmark discontinuation provisions of Condition 4(n) will apply) [Condition 4(p) Applicable] [Condition 4(p) Not Applicable] (only relevant to SARON. If Condition 4(p) is not specified to be applicable, then the benchmark discontinuation provisions of Condition 4(n) will apply) [Not Applicable]
	(xviii) Benchmark Discontinuation:	[Applicable] [Not Applicable]
18.	**Zero Coupon Note Provisions:**	[Applicable] [Not Applicable]
	(i) Accrual Method:	[Linear Accrual] [Compounding Accrual]
	(ii) Compounding basis:	[Annual] [Semi-annual] [ ] [Not Applicable]
	(iii) Accrual Yield:	[ ] per cent. per annum
	(iv) Reference Price:	[ ]
	(v) Day Count Fraction in relation to Early Redemption Amounts and late payment:	[30/360] [Actual/360] [Actual/365 (Fixed)] [Actual/365] [Actual/Actual] [Actual/Actual (ICMA)]
	(vi) Determination Dates:	[[ ] in each year] [Not Applicable]
PROVISIONS RELATING TO REDEMPTION		
19.	**Bank Call Option:**	[Applicable] [Not Applicable]
	(i) Optional Redemption Date(s):	[ ][, subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[[ ] per Calculation Amount] [Fair Market Value] [Early Redemption Unwind Costs: [Applicable] [Not Applicable]] Market Valuation Date: [ ] (*Only applicable if Fair Market Value specified above*)

	(iii) Redeemable in part:	[Yes] [No]
	(iv) If redeemable in part:	[Applicable] [Not Applicable]
	(a) Minimum Redemption Amount:	[ ] [Not Applicable]
	(b) Maximum Redemption Amount:	[ ] [Not Applicable]
	(v) Notice period:	Minimum period: [15] days Maximum period: [30] days
20.	**Noteholder Put Option:**	[Applicable] [Not Applicable]
	(i) Optional Redemption Date(s):	[ ]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[[ ] per Calculation Amount] [Fair Market Value] [Early Redemption Unwind Costs: [Applicable] [Not Applicable]] Market Valuation Date: [ ] *(Only applicable if Fair Market Value specified above)*
	(iii) Notice period:	Minimum period: [15] [ ] days Maximum period: [30] [ ] days
21.	**Early Redemption for Illegality:**	[Applicable] [Not Applicable]
	[(i) Minimum Period:	[ ] days
	(ii) Maximum Period:	[ ] days]
21.	**Early Redemption for a Disruption Event:**	[Applicable] [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	[(i) Minimum Period:	[ ] days
	(ii) Maximum Period:	[ ] days]
	[(iii) Trade Date:	[ ]
22.	**Early Redemption for an Administrator/ Benchmark Event:**	[Applicable] [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	[(i) Minimum Period:	[ ] days
	(ii) Maximum Period:	[ ] days]

23.	**Bail-inable Notes - TLAC Disqualification Event Call:**	[Applicable] [Not Applicable]
	[(i) Minimum Period:	[ ] days
	(ii) Maximum Period:	[ ] days]
24.	**Final Redemption Amount:**	[ ] per Calculation Amount
25.	**Early Redemption Amount:**	
	Early Redemption Amount(s) payable on redemption for taxation reasons, [TLAC Disqualification Event,] [Illegality,] [Disruption Event,] [Administrator/Benchmark Event] or on event of default:	[[ ] per Calculation Amount] [Fair Market Value] [Condition 5(i)(iii) applies] [Early Redemption Unwind Costs: [Applicable] [Not Applicable]] Market Valuation Date: [ ] *(Only applicable if Fair Market Value specified above)*

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.	Form of Notes:	**Bearer Notes** [Temporary global Note exchangeable on or after [ ] for a permanent global Note which is exchangeable for Definitive Notes in the limited circumstances specified in Condition 2.] [Permanent global Note exchangeable for Definitive Notes in the limited circumstances specified in Condition 2.]
27.	New Global Note or Classic Global Note:	[New Global Note] [Classic Global Note]
28.	Additional Financial Centre(s):	[Not Applicable] [ ]
29.	Talons for future Coupons to be attached to Definitive Notes:	[No] [Yes. As the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.]
30.	Branch of Account:	[Toronto] [London]
31.	Calculation Agent for purposes of Condition 6(f) (if other than the Agent):	[[ ] shall be the Calculation Agent] [Not Applicable]
32.	Calculation Agent for purposes of Condition 6(h) (RMB Notes) (if other than the Agent):	[[ ] shall be the Calculation Agent] [Not Applicable]

33.	RMB Settlement Centre:	[Hong Kong] [ ] [Not Applicable]	
34.	Relevant Valuation Time for RMB Notes:	[Not Applicable] [[ ] in [ ]]	
35.	Alternative Currency Payment:	[Applicable] [Not Applicable] [Alternative Currency: [ ]]	

[**THIRD PARTY INFORMATION**

[ ] 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 Bank of Montreal:

By: _____

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

(i)	Listing/Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to [the Official List of the FCA and to] trading on the [Professional only/Wholesale segment of] [the London Stock Exchange's Main Market] with effect from [ ].]
	Date from which admission is expected to be effective:	[ ] [Tranche[s] [] of the Notes [is/are] already admitted to [the Official List of the FCA and to] [trading on the London Stock Exchange's main market] with effect from [ ].]
(ii)	Estimate of total expenses related to admission:	[ ]

2 RATINGS

Ratings:	[The Notes have not been specifically rated.] The Notes to be issued [have been] [are expected to be] rated: [S&P Global Ratings, acting through S&P Global Ratings Canada, a business unit of S&P Global Canada Corp.: [ ]] [Moody's Canada Inc.: [ ]] [Fitch Ratings, Inc.: [ ]] *(Need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider)*

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[Save for any fees payable to the relevant [Managers/Purchaser], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The relevant [Managers/Purchaser] and [their] [its] affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] / [ ] / [Not Applicable]

[The Issue Price may include a fee or commission payable to a distributor or third party. Such fee or commission will be determined by reference to a number of factors including but not limited to the redemption or settlement date of the Notes, hedging costs and legal fees. Further details in respect of the fee or commission are available upon request.]

[The Issue Price includes a fee or commission of [ ] per cent. of the notional amount of the Notes payable to a distributor or third party.]

4 [*Fixed Rate Notes only* – YIELD

Indication of yield: [ ]]

5 OPERATIONAL INFORMATION

ISIN:	[ ]
Common Code:	[ ]
[CFI Code]:	[See/[[ ], as updated and as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]
[FISN]:	[See/[[ ], as updated and as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]
[WKN or any other relevant codes]:	[ ][Not Applicable]
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable] [ ]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any) and if applicable a statement that it or they should be sole Paying Agent(s) for the Series:	[Not Applicable] [ ]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. 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 the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[Not Applicable]

6 DISTRIBUTION

(i)	Method of Distribution:	[Syndicated] [Non-Syndicated]
(ii)	If syndicated, names of Managers:	[ ] [Not Applicable]
(iii)	Stabilisation Manager(s) (if any):	[ ] [Not Applicable]
(iv)	If non-syndicated, name of relevant Dealer:	[ ] [Not Applicable]
(v)	United States of America selling restrictions:	Regulation S, Category 2, [TEFRA C] [TEFRA D] [TEFRA Rules not applicable]
(vi)	Canadian selling restriction:	[Canadian Sales Permitted] [Canadian Sales Not Permitted] (*Must specify latter option for Principal At Risk Notes*)

(vii)	Prohibition of Sales to EEA Retail Investors:	[Applicable] [Not Applicable] *(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared or if the Issuer wishes to prohibit offers to EEA retail investors for any other reason, "Applicable" should be specified)*
(viii)	Prohibition of Sales to UK Retail Investors:	[Applicable] [Not Applicable] *(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared or if the Issuer wishes to prohibit offers to UK retail investors for any other reason, "Applicable" should be specified)*

7 REASONS FOR OFFER AND ESTIMATED NET PROCEEDS:

(i)	Use of proceeds:	[ ] [The Notes are specified as being "Sustainable Bonds" and the net proceeds for the sale of the Notes will be used for [ ].]
(ii)	Estimated net proceeds:	[ ]

8 UK BENCHMARK REGULATION:

UK Benchmark Regulation: Article 29(2)

Amounts payable under the Notes will be calculated by reference to [ ] which [is/are] provided by [ ]. As at [ ], [ ] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 of Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmark Regulation**"). [As far as the Issuer is aware, the [Bank of England][Federal Reserve Bank of New York] [European Central Bank] [Monetary Authority of Singapore] as administrator of [SONIA][SOFR[€STR][SORA] is

not required to be registered by virtue of Article 2 of the UK Benchmark Regulation.] [As far as the Issuer is aware the transitional provisions of Article 51 of the UK Benchmark Regulation apply, such that [ ] [is/are] not currently required to obtain authorisation or registration (or, if located outside the UK, recognition, endorsement or equivalence).]]

[Not Applicable]

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes (including ISM Notes), whatever the denomination of those Notes, issued under the Programme. This pro forma Pricing Supplement is subject to completion and amendment to set out the terms upon which each Tranche of Notes is to be issued.

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 AS IT FORMS PART OF THE UNITED KINGDOM (THE "UK") DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (AS AMENDED, THE "UK PROSPECTUS REGULATION") FOR THE ISSUE OF NOTES DESCRIBED BELOW AND THE TERMS OF SUCH NOTES ARE SET OUT IN A PRICING SUPPLEMENT THAT IS EXEMPT FROM THE REQUIREMENTS OF THE UK PROSPECTUS REGULATION. THE UK FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT.

[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.][1]

[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.][2]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [MiFID II / Directive 2014/65/EU (as amended, "MiFID II")]; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional

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1 Legend to be included on front of the Pricing Supplement if ISM Notes and if transaction is in scope of MiFID II and following the ICMA 1 "all bonds to all professionals" target market approach.

2 Legend to be included on front of the Pricing Supplement if ISM Notes and if transaction is in scope of UK MiFIR and following the ICMA 1 "all bonds to all professionals" target market approach.

client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][3]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("EUWA"); (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by "UK PRIIPs Regulation" for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.][4]

[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (the "**SFA**") - [*To insert notice if classification of the Notes is not "prescribed capital markets products and "Excluded Investment Products", pursuant to Section 309B of the SFA*].][5]

[***The following language applies if the Notes are intended to be "qualifying debt securities" (as defined in the Income Tax Act 1947 of Singapore):***

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the "**ITA**") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.][6]

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3 Legend to be included on front of the Pricing Supplement if the Notes potentially constitute "packaged" products and no key information document will be prepared, in which case the selling restriction should be specified to be "Applicable".

4 Legend to be included on front of the Pricing Supplement if the Notes potentially constitute "packaged" products and no key information document will be prepared, in which case the selling restriction should be specified to be "Applicable".

5 Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Bank prior to the launch of the offer, pursuant to Section 309B of the SFA.

6 The prescribed QDS legend to be included in the Pricing Supplement may be updated from time to time pursuant to any amendments to the Income Tax Act 1947 of Singapore or the subsidiary legislations.

[THESE NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART – BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS – INTO COMMON SHARES OF BANK OF MONTREAL OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE *CANADA DEPOSIT INSURANCE CORPORATION ACT* (THE "CDIC ACT") AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE AND SUBJECT TO THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THE NOTES.][7]

Pricing Supplement dated [ ]

Bank of Montreal

(the "Issuer")

LEI: NQQ6HPCNCCU6TUTQYE16

Issue of [Aggregate Nominal Amount of Tranche] [Description of Notes] [Senior Notes / Principal At Risk Notes] due [Maturity Date for Notes]

under the U.S.$22,000,000,000 Note Issuance Programme

PART A – CONTRACTUAL TERMS

This document constitutes the final terms relating to the issue of Notes described herein.

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Prospectus dated July [14], 2023 [and the supplementary admission particulars dated [ ]], including all documents incorporated by reference ([such Prospectus as so supplemented,] the "**Prospectus**") which constitutes admission particulars for the purposes of the ISM Rulebook of the London Stock Exchange. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Prospectus in order to obtain all the relevant information. The Prospectus has been published on the website of the National Storage Mechanism at *https://data.fca.org.uk/#/nsm/nationalstoragemechanism* under "Bank of Montreal".]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Prospectus dated [original date] [which is incorporated by reference in the Prospectus dated [current date]]. This document constitutes the Pricing Supplement of the Notes and must be read in conjunction with the Prospectus dated July [14], 2023 including the Conditions which are incorporated by reference in it [and the supplementary admission particulars dated [ ], and including all documents incorporated by reference, ([such Prospectus as so supplemented,] the "**Prospectus**") which constitutes admission particulars for the purposes of the ISM Rulebook of the

[7] Legend to be included on front of the Pricing Supplement if the Notes are Bail-inable Notes.

London Stock Exchange, in order to obtain all the relevant information.] The Prospectus has been published on the website of the National Storage Mechanism at *https://data.fca.org.uk/#/nsm/nationalstoragemechanism* under "Bank of Montreal".]

[INVESTORS SHOULD REFER TO THE SECTION HEADED "RISK FACTORS" IN THE PROSPECTUS FOR A DISCUSSION OF CERTAIN MATTERS THAT SHOULD BE CONSIDERED WHEN MAKING A DECISION TO INVEST IN THE NOTES.]

[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 sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

1.	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ]
	(iii)	Date on which the Notes will be consolidated and form a single Series:	[Not Applicable] [The Notes shall be consolidated and form a single Series and be interchangeable for trading purposes with the [ ] on [the Issue Date] [exchange of the Temporary global Note for interests in the permanent global Note, as referred to in paragraph 31 below, which is expected to occur on or about [ ]].
2.	Specified Currency or Currencies:		[ ]
3.	Aggregate Nominal Amount:		
	[(i)]	Series:	[ ]
	[(ii)]	Tranche:	[ ]]
4.	Issue Price:		[ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ]]
5.	[(i)] Specified Denomination(s):		[ ]
			[ ] [and integral multiples of [ ] in excess thereof up to and including [ ]. No Notes in definitive form will be issued with a denomination above [ ].]
	[(ii)]	Calculation Amount:	[ ]
6.	[(i)]	Issue Date:	[ ]

	[(ii)] Interest Commencement Date:	[ ] [Issue Date] [Not Applicable]
7.	Maturity Date:	[ ][, subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention] [Interest Payment Date falling in or nearest to [ ] [Other]
8.	Interest Basis:	[[ ] per cent. Fixed Rate] [[ ] per cent. to be reset on [ ] [and [ ]] and every [ ] anniversary thereafter Fixed Rate Reset] [[ ] per cent. Fixed Rate with a Step-up] [subject to change as indicated in paragraph 10 below] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA] [[ ] month [currency] [EURIBOR] [CNH HIBOR] [HIBOR] [NIBOR]] [ ] +/- [ ] per cent. Floating Rate] [subject to change as indicated in paragraph 10 below] [Range Accrual Notes] [Zero Coupon] (further particulars specified in paragraphs [15] [16] [17] below)
9.	Redemption / Payment Basis:	[Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ] per cent of their Nominal Amount] [Redemption at Nominal Amount] [Index Linked Redemption Amount] [Dual Currency] [Partly Paid] [Instalment] [Other (specify)] (*If any interest payable on a Note, or any portion of the nominal amount of a Note in excess of its issue price, is to be calculated by reference to an index or formula, interest on the Note together with any such portion of principal may be subject to Canadian non-resident withholding tax. Additional opinions from Canadian tax counsel and additional Canadian tax disclosure in this Pricing Supplement may be required*.)

10. Change of Interest: [Not Applicable] [ ]

11. Put/Call Options: [Noteholder Put Option] (*Noteholders' Option not applicable to Bail-inable Notes*)

[Bank Call Option]

[Not Applicable]

[(further particulars specified in paragraph[s] [22] [23] below)]

12. Date(s) of [Board] approval for issuance of Notes obtained: [ ] [Not Applicable]

13. Principal At Risk Notes: [Yes] [No]

14. Bail-inable Notes: [Yes] [No]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions:** [Applicable] [Not Applicable]

(i) Rate[(s)] of Interest: [[ ] per cent. per annum payable [annually] [semi-annually] [quarterly] [monthly] [*specify*] in arrear

[As specified below, payable in arrear:

Fixed Interest Period End Date	Rate of Interest (Step-Up) (per cent. per annum)
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]]

(ii) Interest Payment Date(s): [[ ] [and [ ]] in each year, commencing [ ], up to and including the Maturity Date] [adjusted for [payment purposes only] [payment and interest accrual purposes] in accordance with the Business Day Convention specified in paragraph (iv) below]

(iii) Adjusted Fixed Interest Periods: [Applicable] [Not Applicable]

(iv) Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(v) Additional Business Centre(s):	[ ] [T2] [Not Applicable]
(vi) Fixed Coupon Amount[(s)]: *(applicable to Notes in definitive form only. For the calculation of interest on Notes issued in global form see Condition 4(a))*	[[ ] per [ ] Calculation Amount] [Not Applicable]
(vii) Broken Amount(s): *(applicable to Notes in definitive form only. For the calculation of interest on Notes issued in global form see Condition 4(a))*	[Not Applicable] [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]].
(viii) Day Count Fraction:	[30/360] [Actual/Actual (ICMA)] [Actual/360] [30E/360] [Actual/365 (Fixed)]
(ix) Determination Dates:	[Not Applicable] [ ] in each year [ ]
(x) Calculation Agent:	[[ ] shall be the Calculation Agent] [Not Applicable]
(xi) Range Accrual:	[Applicable] [Not Applicable]
- Single Range Accrual Note:	[Applicable] [Not Applicable]
- Single Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ] [As specified in Condition 4(c)(ii)]

- Relevant Financial Centre: [ ] [Not Applicable]

- Rate Cut Off Date: [ ] [As specified in Condition 4(m)]

- CMS Spread: [Applicable] [Not Applicable]

[- First Reference Rate: CMS

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ]

- Relevant Financial Centre: [ ] [Not Applicable]

- Second Reference Rate: CMS

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ]

- Relevant Financial Centre: [ ] [Not Applicable]]

- Rate Cut Off Date:	[ ] [As provided in Condition 4(m)]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Note:	[Applicable][Not Applicable]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ] [As specified in Condition 4(c)(ii)]

- Relevant Financial Centre: [ ] [Not Applicable]

- Cap: [[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable]

[For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]

- Floor: [[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable]

[For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]

- CMS Spread: [Applicable] [Not Applicable]

[- First Reference Rate: CMS

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ]

- Relevant Financial Centre: [ ] [Not Applicable]

- Second Reference Rate: CMS

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ]

- Relevant Financial Centre: [ ] [Not Applicable]

- Rate Cut Off Date: [ ] [As specified in Condition 4(m)]

- Cap: [[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable]

[For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]

- Floor: [[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable]

[For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]

(xii) Minimum Rate of Interest: [[ ] per cent. per annum] [Not Applicable]

(xiii) Maximum Rate of Interest: [[ ] per cent. per annum] [Not Applicable]

(xiv) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes: [Not Applicable] [*give details*]

16. **Fixed Rate Reset Note Provisions** [Applicable] [Not Applicable]

(i) Initial Rate of Interest: [ ] per cent. per annum [payable [annually/semi annually/quarterly/monthly] in arrear]

(ii) Interest Payment Date(s): [ ] [and [ ]] in each year [from and including [ ]] [until and excluding [ ]]

(iii) First Reset Date: [ ]

(iv) Second Reset Date: [[ ]/Not Applicable]

(v) Anniversary Date::	[[ ]/Not Applicable]
(vi) Reset Determination Dates:	[ ]
(vii) Reset Rate:	[semi-annual][annualised][Mid-Swap Rate] [Benchmark Gilt Rate][Reference Bond]
(viii) Screen Page:	[ ]/[Not Applicable
(ix) Margin(s):	[+/-] [ ] per cent. per annum
(x) Fixed Coupon Amount[(s)] in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date:	[[ ] per Calculation Amount]
(xi) Broken Amount(s):	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/[Not Applicable]
(xii) Day Count Fraction:	[Actual/365] [Actual/365 (fixed)] [Actual/360] [30/360] [30E/360] [Actual/Actual ICMA]
(xiii) Determination Dates:	[[ ] in each year/Not Applicable]
(xiv) Calculation Agent:	[ ]
(xv) Relevant Time	[11.00a.m.]/[ ]] [Not Applicable]
(xvi) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes:	[Not Applicable] [*give details*]
(xvii) Mid-Swap Rate Notes:	[Applicable] [Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- Specified Currency: [ ]
- Fixed Leg Day Count Fraction: [Actual/365]
  [Actual/365(fixed)]
  [Actual/360]
  [30/360]
  [30E/360]
  [Actual/Actual ICMA]
- Specified Fixed Leg: [Annual fixed leg]/[semi-annual fixed leg]/[Quarterly fixed leg]
- Floating Leg Day Count Fraction: [Actual/365]
  [Actual/365 (fixed)]
  [Actual/360]
  [30/360]
  [30E/360]
  [Actual/Actual ICMA]
- Floating Leg Rate Option: [ ]/[Not Applicable]
- Mid-Swap Maturity: [ ]/[Not Applicable]

(xviii) Benchmark Replacement Provisions: [Condition 4(o) Applicable] [Condition 4(o) Not Applicable]
(only relevant to SOFR. If Condition 4(o) is not specified to be applicable, then the benchmark discontinuation provisions of Condition 4(n) will apply)

[Condition 4(p) Applicable] [Condition 4(p) Not Applicable]
(only relevant to SARON. If Condition 4(p) is not specified to be applicable, then the benchmark discontinuation provisions of Condition 4(n) will apply)

[Not Applicable]

(xix) Benchmark Discontinuation: [Applicable] [Not Applicable]

(xx) Minimum Rate of Interest: [ ]

(xxi) Maximum Rate of Interest: [ ]

17. **Floating Rate Note Provisions:** [Applicable] [Not Applicable]

(i) Specified Period(s):	[ ] [Not Applicable]
(ii) Specified Interest Payment Dates:	[ ] in each year [subject to adjustment in accordance with the Business Day Convention set out in (iv) below / not subject to any adjustment, as the Business Day Convention in (iv) below is specified to be No Adjustment] [Not Applicable]
(iii) First Interest Payment Date:	[ ]
(iv) Business Day Convention:	[Floating Rate Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [No Adjustment]
(v) Additional Business Centre(s):	[ ] [T2] [Not Applicable]
(vi) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination]
(vii) Calculation Agent:	[[ ] shall be the Calculation Agent] [Not Applicable]

(viii) Screen Rate Determination: [Applicable]

– Reference Rate: [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA] [[ ] month [EURIBOR] [CNH HIBOR] [HIBOR] [NIBOR]] [CMS Rate]

- Applicable CMS Formula: [CMS Reference Rate/ Leveraged CMS Reference Rate: [Standard][Floor/Cap]/ Steepener CMS Reference Rate: [Unleveraged/ Leveraged]] [Not Applicable]

[CMS Rate:]
[Reference Currency: [ ]
CMS Maturity: [ ]
Relevant Screen Page: [ ]]

[CMS Rate 1:]
[Reference Currency: [ ]
CMS Maturity: [ ]
Fixed Leg Day Count Fraction: [ ]
Floating Rate Day Count Fraction: [ ]
Floating Leg Rate Option: [ ]
Specified Fixed Leg: [ ]
Specified Frequency: [ ]
Relevant Screen Page: [ ]
Relevant Time: [ ]
Relevant Financial Centre: [ ] [Not Applicable]
]

[CMS Rate 2:]
[Reference Currency: [ ]
CMS Maturity: [ ]
Fixed Leg Day Count Fraction: [ ]
Floating Rate Day Count Fraction: [ ]
Floating Leg Rate Option: [ ]
Specified Fixed Leg: [ ]
Specified Frequency: [ ]
Relevant Screen Page: [ ]
Relevant Time: [ ]
Relevant Financial Centre: [ ] [Not Applicable]
]
]

Cap: [ ] per cent per annum [Not Applicable
Floor: [ ] per cent per annum [Not Applicable]
Leverage: [ ] per cent. [Not Applicable]

– Calculation Method:	[Compounded Daily Rate] [Compounded Index Rate] [Compounded Daily Rate] [Compounded Index SORA] (*in respect of SORA*) [Not Applicable]
– Observation Method:	[Lag] [Shift] *(in respect of SONIA)* [Observation Look-back Convention] [Observation Shift Convention] (*in respect of Compounded Daily SORA*) [Not Applicable]
– SONIA Compounded Index:	[ ] [Not Applicable] (if applicable, repeat definition of SONIA Compounded Index from the Conditions specifying any relevant Screen Page and its time of publication and including definition of Screen Page where necessary) (Only relevant to Floating Rate Notes that reference SONIA and where the Calculation Method is Compounded Index Rate)
– Relevant Time:	[ ] [Not Applicable]
– Interest Determination Date(s)[8]:	[[ ] [London Banking Day] [Zurich Banking Day] [Tokyo Banking Day] [T2 Business Day] [U.S. Government Securities Business Day] [Singapore Business Day] prior to each Interest Payment Date] [First day of each Interest Period] [Second T2 Business Day prior to the start of each Interest Period] [[ ] Business Day[s] prior to the start of each Interest Period]
– Relevant Financial Centre:	[London] [Oslo] [Brussels] [Hong Kong] [Not Applicable]
– Relevant Screen Page:	[Reuters page [ ]] [ ]
– Observation Look-Back Period:	[[ ] London Banking Days] [Zurich Banking Days] [Tokyo Banking Days] [Singapore Business Days] [Not Applicable]
– Relevant Number:	[ ] [Not Applicable] *(only relevant to SONIA where the Calculation Method is Compounded Index Rate. Note that this defaults to 2 if not included in the Final Terms)*

[8] For compounded rates this should align with the relevant lookback period, which should be no less than 5 business days

(ix) Linear Interpolation:	[Not Applicable] [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
(x) Margin(s):	[[+/-][ ] per cent. per annum] [Not Applicable]
(xi) Minimum Rate of Interest:	[[ ] per cent. per annum] [Zero per cent. per annum] [Not Applicable]
(xii) Maximum Rate of Interest:	[[ ] per cent. per annum] [Not Applicable]
(xiii) Day Count Fraction:	[Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [Actual/360 (Observation Period)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Actual/365 (Sterling)]
(xiv) ISDA Definitions:	[2006 ISDA Definitions] [2021 ISDA Definitions] [Not Applicable] (*Only relevant to SOFR*)
(xv) Range accrual:	[Applicable] [Not Applicable]
- Single Range Accrual Note:	[Applicable] [Not Applicable]
- Single Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]

- Relevant Time: [ ] [As specified in Condition 4(c)(ii)]

- Relevant Financial Centre: [ ]

- Rate Cut Off Date: [ ] [As specified in Condition 4(m)]

- CMS Spread: [Applicable] [Not Applicable]

[- First Reference Rate: CMS

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ]

- Relevant Financial Centre: [ ] [Not Applicable]

- Second Reference Rate: CMS

- Specified Currency: [ ] [As set out in item 2 above]

- Specified Maturity: [ ] [month[s]] [year[s]]

- Relevant Screen Page: [ ]

- Relevant Time: [ ]

- Relevant Financial Centre: [ ] [Not Applicable]

- Rate Cut Off Date: [ ] [As specified in Condition 4(m)]

- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Note:	[Applicable][Not Applicable]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Rate Cut Off Date:	[ ] [As specified in Condition 4(m)]
- Cap:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]

- Floor:	[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
- Dual Range Accrual Reference Rate:	[EURIBOR] [CMS] [CNH HIBOR] [HIBOR] [NIBOR] [SONIA] [€STR] [SOFR] [SARON] [TONA] [SORA]
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ] [As specified in Condition 4(c)(ii)]
- Relevant Financial Centre:	[ ] [Not Applicable]
- CMS Spread:	[Applicable] [Not Applicable]
[- First Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]
- Specified Maturity:	[ ] [month[s]] [year[s]]
- Relevant Screen Page:	[ ]
- Relevant Time:	[ ]
- Relevant Financial Centre:	[ ] [Not Applicable]
- Second Reference Rate:	CMS
- Specified Currency:	[ ] [As set out in item 2 above]

	- Specified Maturity:	[ ] [month[s]] [year[s]]
	- Relevant Screen Page:	[ ]
	- Relevant Time:	[ ]
	- Relevant Financial Centre:	[ ] [Not Applicable]
- Rate Cut Off Date:		[ ] [As specified in Condition 4(m)]
- Cap:		[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [less than or equal to][less than] shall apply.]
- Floor:		[[ ] per cent. per annum [in respect of the Interest Period ending [ ]]] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(m), [greater than or equal to][greater than] shall apply.]
(xvi)	Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Notes, if different from those set out in the Conditions:	[ ]
(xvii)	Benchmark Replacement Provisions:	[Condition 4(o) Applicable] [Condition 4(o) Not Applicable] (only relevant to SOFR. If Condition 4(o) is not specified to be applicable, then the benchmark discontinuation provisions of Condition 4(n) will apply) [Condition 4(p) Applicable] [Condition 4(p) Not Applicable] (only relevant to SARON. If Condition 4(p) is not specified to be applicable, then the benchmark discontinuation provisions of Condition 4(n) will apply) [Not Applicable]

(xviii)	Benchmark Discontinuation:	[Applicable] [Not Applicable]
18.	**Zero Coupon Note Provisions:**	[Applicable] [Not Applicable]
(i)	Accrual Method:	[Linear Accrual] [Compounding Accrual]
(ii)	Compounding basis:	[Annual] [Semi-annual] [ ] [Not Applicable]
(iii)	Accrual Yield:	[ ] per cent. per annum
(iv)	Reference Price:	[ ]
(v)	Any other formula/basis of determining amount payable for Zero Coupon Notes which are Exempt Notes:	[ ]
(vi)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[30/360] [Actual/360] [Actual/365 (Fixed)] [Actual/365] [Actual/Actual] [Actual/Actual (ICMA)]
(vii)	Determination Dates:	[[ ] in each year] [Not Applicable]
19.	**Index Linked/other variable-linked Note Provisions:**	[Applicable] [Not Applicable]

(*If any interest payable on a Note, or any portion of the nominal amount of a Note in excess of its issue price, is to be calculated by reference to an index or formula, interest on the Note together with any such portion of principal may be subject to Canadian non-resident withholding tax. Additional opinions from Canadian tax counsel and additional Canadian tax disclosure in this Pricing Supplement may be required*.)	(*If not applicable, delete the remaining subparagraphs of this paragraph*.)
(i) Index/Formula:	[*Give or annex details*]
(ii) Name and address of party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Agent):	[ ]
(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable:	[Need to include a description of market disruption or settlement disruption events and adjustment provisions]
(iv) Determination Date(s):	[ ]
(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[ ]
(vi) Interest or calculation period(s):	[ ]

	(vii) Specified Interest Payment Dates:	[ ] [Not Applicable]
	(viii) Business Day Convention:	[Floating Rate Convention] [Following Business Day Convention] Modified Following Business Day Convention] [Preceding Business Day Convention] [Not Applicable] [other (give details)]
	(ix) Additional Business Centre(s):	[ ] [T2] [Not Applicable]
	(x) Minimum Rate/Amount of Interest:	[ ] per cent. per annum
	(xi) Maximum Rate/Amount of Interest:	[ ] per cent. per annum
	(xii) Day Count Fraction:	[ ]
	(xiii) Other terms or special conditions[4]:	[Not Applicable] [*give details*]
20.	**Dual Currency Note Provisions:**	[Applicable] [Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*.)
	(i) Rate of Exchange/method of calculating Rate of Exchange:	[*Give or annex details*]
	(ii) Name and address of party, if any, responsible for calculating the principal and/or interest due (if not the Agent):	[ ] (the "**Calculation Agent**")

[4] Note any additional disclosure requirements under the Principal Protected Notes Regulation (Canada) in respect of Notes sold in Canada.

	(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:	[ ]
21.	**Other terms or special conditions relating to the determination of interest:**	[Not Applicable] [*give details*]

PROVISIONS RELATING TO REDEMPTION

22.	**Bank Call Option:**	[Applicable] [Not Applicable]
	(i) Optional Redemption Date(s):	[ ][, subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[[ ] per Calculation Amount] [Fair Market Value] [Early Redemption Unwind Costs: [Applicable] [Not Applicable]] Market Valuation Date: [ ] (*Only applicable if Fair Market Value specified above*)
	(iii) Redeemable in part:	[Yes] [No]
	(iv) If redeemable in part:	[Applicable] [Not Applicable]
	(a) Minimum Redemption Amount:	[[ ] per Calculation Amount] [Not Applicable]

	(b) Maximum Redemption Amount:	[[ ] per Calculation Amount] [Not Applicable]
	(v) Notice period:	Minimum period: [15] days Maximum period: [30] days
23.	**Noteholder Put Option:**	[Applicable] [Not Applicable]
	(i) Optional Redemption Date(s):	[ ]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[[ ] per Calculation Amount] [Fair Market Value] [Early Redemption Unwind Costs: [Applicable] [Not Applicable]] Market Valuation Date: [ ] *(Only applicable if Fair Market Value specified above)*
	(iii) Notice period:	Minimum period: [15] [ ] days Maximum period: [30] [ ] days
24.	**Early Redemption for Illegality :**	[Applicable] [Not Applicable]
	[(i) Minimum Period:	[ ] days
	(ii) Maximum Period:	[ ] days]
25.	**Early Redemption for a Disruption Event:**	[Applicable] [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	[(i) Minimum Period:	[ ] days
	(ii) Maximum Period:	[ ] days]
	[(iii) Trade Date:	[ ]
26.	**Early Redemption for an Administrator/ Benchmark Event:**	[Applicable] [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

[(i) Minimum Period: [ ] days

(ii) Maximum Period: [ ] days]

27. **Bail-inable Notes - TLAC Disqualification Event Call** [Applicable] [Not Applicable]

[(i) Minimum Period: [ ] days

(ii) Maximum Period: [ ] days]

28. **Final Redemption Amount:** [[ ] per Calculation Amount] [ ]

(If any interest payable on a Note, or any portion of the nominal amount of a Note in excess of its issue price, is to be calculated by reference to an index or formula, interest on the Note together with any such portion of principal may be subject to Canadian non-resident withholding tax. Additional opinions from Canadian tax counsel and additional Canadian tax disclosure in this Pricing Supplement may be required.)

29. **Early Redemption Amount:**

	Early Redemption Amount(s) payable on redemption for taxation reasons, [TLAC Disqualification Event,] [Illegality,] [Disruption Event,] [Administrator/Benchmark Event] or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in Condition 5(i)):	[[ ] per Calculation Amount] [Fair Market Value] [Condition 5(i)(iii) applies] [Early Redemption Unwind Costs: [Applicable] [Not Applicable]] Market Valuation Date: [ ] *(Only applicable if Fair Market Value specified above)*
30.	**Other terms or special conditions relating to redemption:**	[Not Applicable] [*give details*]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

31.	Form of Notes:	Bearer Notes [Temporary global Note exchangeable on or after [ ] for a permanent global Note which is exchangeable for Definitive Notes in the limited circumstances specified in Condition 2.] [Permanent global Note exchangeable for Definitive Notes in the limited circumstances specified in Condition 2.]
32.	New Global Note or Classic Global Note:	[New Global Note] [Classic Global Note]
33.	Additional Financial Centre(s):	[Not Applicable] [ ]
34.	Talons for future Coupons to be attached to Definitive Notes:	[No] [Yes. As the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.]

35.	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 consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable] [*give details*]
36.	Details relating to Instalment Notes: amount of each instalment ("**Instalment Amount**"), date on which each payment is to be made ("**Instalment Dates**"):	[Not Applicable] [*give details*]
37.	Branch of Account:	[Toronto] [London]
38.	Calculation Agent for purposes of Condition 6(f) (if other than the Agent):	[[ ] shall be the Calculation Agent] [Not Applicable]
39.	Calculation Agent for purposes of Condition 6(h) (RMB Notes) (if other than the Agent):	[[ ] shall be the Calculation Agent] [Not Applicable]
40.	RMB Settlement Centre:	[Hong Kong] [ ] [Not Applicable]
41.	Relevant Valuation Time for RMB Notes:	[Not Applicable] [[ ] in [ ]]
42.	Alternative Currency Payment:	[Applicable] [Not Applicable] [Alternative Currency: [ ]]
43.	Other terms or special conditions:	[Not Applicable] [*give details*]

[**THIRD PARTY INFORMATION**

[ ] 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 Bank of Montreal:

By: _____

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing/Admission to trading:	[Not Applicable] [Application [has been / will be / is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to [the ISM] [*specify other relevant market – note this must not be an EEA regulated market or the London Stock Exchange's main market*] with effect from [ ].
	Date from which admission is expected to be effective:	[ ] [Tranche[s] [ ] of the Notes [is/are] already admitted to [the ISM] [*specify relevant market*] with effect from [ ].]
(ii)	Estimate of total expenses related to admission:	[ ]

2. RATINGS

Ratings:	[The Notes have not been specifically rated.] The Notes to be issued [have been] [are expected to be] rated: [S&P Global Ratings, acting through S&P Global Ratings Canada, a business unit of S&P Global Canada Corp.: [ ]] [Moody's Canada Inc.: [ ]] [Fitch Ratings, Inc.: [ ]]

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

[Save for any fees payable to the relevant [Managers/Purchaser], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.The relevant [Managers/Purchaser] and [their] [its] affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] / [ ] / [Not Applicable]

[The Issue Price may include a fee or commission payable to a distributor or third party. Such fee or commission will be determined by reference to a number of factors including but not limited to the redemption or settlement date of the Notes, hedging costs and legal fees. Further details in respect of the fee or commission are available upon request.]

[The Issue Price includes a fee or commission of [ ] per cent. of the notional amount of the Notes payable to a distributor or third party.]

4. [Fixed Rate Notes only – YIELD

Indication of yield: [ ]]

5. OPERATIONAL INFORMATION

ISIN:	[ ]
Common Code:	[ ]
[CFI Code]:	[See/[[ ], as updated and as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]
[FISN]:	[See/[[ ], as updated and as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]
[WKN or any other relevant codes]:	[ ] [Not Applicable]
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable] [ ]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any) and if applicable a statement that it or they should be sole Paying Agent(s) for the Series:	[Not Applicable] [ ]
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 the European Central

Bank being satisfied that Eurosystem eligibility criteria have been met.]

[While the designation is specified as "No" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[Not Applicable]

6. [**U.S. TAX CONSIDERATIONS**

The Issuer has determined that the Notes are [not] Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended. [Additional information regarding the application of Section 871(m) to the Notes will be available [at [●]].]. [As at the date of this Pricing Supplement, the Issuer has not determined whether the Notes are Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Notes for these purposes. This is indicative information only, subject to change, and if the Issuer's final determination is different then it will give notice of such determination. Additional information regarding the application of Section 871(m) to the Notes will be available [at [●]].][5]

If the Notes reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities, further analysis would be required to determine if the Notes will be Specified Notes. If the Notes are Specified Notes, or if additional disclosure with respect to the 871(m) determination is required, include the "Additional information" sentence and specify where additional information may be found.]

7. DISTRIBUTION

(i) Method of Distribution: [Syndicated] [Non-Syndicated]

[5] This formulation to be used if the Bank has not made a determination regarding whether the Notes are Specified Notes as of the date of the Pricing Supplement.

(ii)	If syndicated, names of Managers:	[ ] [Not Applicable]
(iii)	Stabilisation Manager(s) (if any):	[ ] [Not Applicable]
(iv)	If non-syndicated, name of relevant Dealer:	[ ] [Not Applicable]
(v)	United States of America selling restrictions:	Regulation S, Category 2, [TEFRA C] [TEFRA D] [TEFRA Rules not applicable]
(vi)	Canadian selling restriction:	[Canadian Sales Permitted] [Canadian Sales Not Permitted.]
(vii)	Prohibition of Sales to EEA Retail Investors:	[Applicable] [Not Applicable] *(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared or if the Issuer wishes to prohibit offers to EEA retail investors for any other reason, "Applicable" should be specified)*
(viii)	Prohibition of Sales to UK Retail Investors:	[Applicable] [Not Applicable] *(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared or if the Issuer wishes to prohibit offers to UK retail investors for any other reason, "Applicable" should be specified)*

8. REASONS FOR OFFER AND ESTIMATED NET PROCEEDS

(i)	Use of proceeds:	[ ] [The Notes are specified as being "Sustainable Bonds" and the net proceeds for the sale of the Notes will be used for [ ].]
(ii)	Estimated Net proceeds:	[ ]

9. INFORMATION RELATING TO THE UNDERLYING[S][7]

[Need to include a statement setting out the type of underlying and details of where information on the underlyings can be obtained, including information about the past and future performance and volatility (as applicable) of each [underlying Reference Entity/Reference Obligation/other underlying] can be obtained from electronic sources and whether free of charge.]

[Where underlying is (i) a security, name of Issuer and ISIN; (ii) an interest rate, include a description of the interest rate and (iii) where underlying is an index, name of index, a description of the index if composed by the issuer or by any legal entity belonging to the same group and if not composed by the Issuer, an indication of where information about the index can be obtained; (iv) where underlying is a basket of underlyings a description of relevant weightings of each underlying in the basket and (v) where underlying does not fall within these categories, equivalent information about the underlying]

10. TERMS AND CONDITIONS OF THE OFFER[9]

Conditions to which the offer is subject:	[Not Applicable / *give details*]
Total amount of the issue:	[Not Applicable / *give details.* If the amount is not fixed, include a description of the arrangements and time for announcing to the public the amount of the issue]
Details of the minimum and/or maximum amount of the application:	[Not Applicable / *give details*]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable / *give details*]

11. ADDITIONAL INFORMATION

[ ] [Not Applicable]

7 Delete unless Schedule 4 (Derivatives) of the ISM Rulebook applies to the Exempt Notes.

9 Delete unless Schedule 4 (Derivatives) of the ISM Rulebook applies to the Exempt Notes.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which, subject to completion in accordance with the provisions of Part A of the applicable Final Terms or, in the case of Exempt Notes including ISM Notes, subject to completion, modification or replacement in accordance with the provisions of Part A of the applicable Pricing Supplement, will apply to Notes issued under the Programme and will be attached to, endorsed upon or incorporated by reference into each global Note and each definitive Note. Part A of the applicable Final Terms (or the relevant provisions thereof) or, in the case of Exempt Notes including ISM Notes, Part A of the applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed on, or attached to, each global Note and each definitive Note. All capitalised terms that are not defined in these Terms and Conditions will have the meanings given to them in the applicable Final Terms or, in the case of Exempt Notes including ISM Notes, the applicable Pricing Supplement.

The Terms and Conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus or, in the case of ISM Notes, Drawdown Admission Particulars, will be the Terms and Conditions as supplemented, amended and/or replaced to the extent described in such Drawdown Prospectus or Drawdown Admission Particulars, as the case may be.

This Note is one of a Series of Notes (the "**Notes**"), which expression shall mean (i) in relation to any Notes represented by a Note in global form (a "**Global Note**"), units of the lowest Specified Denomination or Calculation Amount comprising or forming part of the Specified Denomination, if any, in the Specified Currency of the Notes, (ii) Definitive Notes (defined below) issued in exchange for a permanent Global Note, and (iii) any Global Note issued subject to, and with the benefit of, an Agency Agreement amended and restated as of July [14], 2023 (and as may be further amended or supplemented from time to time in accordance with the terms thereof) (the "**Agency Agreement**") and made between the Bank, HSBC Bank plc as issuing and principal paying agent (the "**Agent**", which expression shall include any successor as agent) and the other paying agent named therein (together with the Agent, the "Paying Agents", which expression shall include any additional or successor paying agents).

This Note is a Principal At Risk Note if specified as such in the applicable Final Terms.

As used herein, "**Series**" means all Notes which are denominated in the same currency and which have the same Maturity Date, Interest Basis, Redemption Basis and Interest Payment Dates (if any) (all as indicated in the applicable Final Terms) and the terms of which (save for the Issue Date, the Interest Commencement Date and/or the Issue Price (as indicated as aforesaid)) are otherwise identical. As used herein, "**Tranche**" means all Notes of the same Series with the same Issue Date. The Bank may create and issue additional Tranches in accordance with Condition 16 herein.

The final terms for this Note (or the relevant provisions thereof) are set out in (i) Part A of the Final Terms attached to or endorsed on this Note, which completes the Terms and Conditions (the "**Conditions**") or (ii) in the case of Exempt Notes including ISM Notes, in Part A of the Pricing Supplement attached to or endorsed on this Note, which supplement the Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions. References to the "applicable Final Terms" are to Part A of the Final Terms (or Pricing Supplement in the case of Exempt Notes) (or the relevant provisions thereof) attached to or endorsed on this Note and any references in the Conditions to "applicable Final Terms" shall be deemed to include a reference to the applicable Pricing Supplement where relevant. The expression " Exempt Notes" means Notes that are neither admitted to trading on (i) a regulated market in the European Economic Area (the "**EEA**") or (ii) a United Kingdom (the "**UK**") regulated market as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act

2018, as amended (the "**EUWA**"), nor offered in (i) the EEA or (ii) the UK in circumstances where a prospectus is required to be published under the EU Prospectus Regulation or the UK Prospectus Regulation, as the case may be. The expression "ISM Notes" means Notes which are admitted to trading on the International Securities Market. The expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 as it forms part of UK domestic law by virtue of the EUWA and the expression "EU Prospectus Regulation" means Regulation (EU) 2017/1129, as amended.

A copy of the Agency Agreement (which contains the forms of Final Terms) is available for inspection during normal business hours and upon reasonable notice at the specified office of the Agent in London, England and for collection without charge from the Treasury Department of the Bank, 100 King Street West, 1 First Canadian Place, 11th Floor, Toronto, Ontario, Canada, M5X 1A1. Copies of Final Terms for Notes which are either admitted to trading on the London Stock Exchange's Main Market or International Securities Market or offered in the UK in circumstances where a prospectus is required to be published in accordance with Regulation (EU) 2017/1129 (the "**UK Prospectus Regulation**"), can be viewed on the website of the National Storage Mechanism at *https://data.fca.org.uk/#/nsm/nationalstoragemechanism* under "Bank of Montreal". Copies of each Final Terms relating to Notes which are admitted to trading on any other regulated market ("**Regulated Market**") for the purposes of Directive 2014/65/EU, as amended, in the European Economic Area or the UK in circumstances where a prospectus is required to be published under the UK Prospectus Regulation will be made available for viewing in accordance with Article 21 of the UK Prospectus Regulation and the rules and regulations of the relevant Regulated Market. Final Terms for Notes that are not offered to the public or admitted to trading on a Regulated Market in the European Economic Area or the UK in circumstances requiring a prospectus in accordance with the EU Prospectus Regulation or the UK Prospectus Regulation, respectively, will only be obtainable by a Noteholder.

The holders of the Notes (the "**Noteholders**", which expression shall, in relation to any Notes represented by a Global Note, be construed as provided in Condition 1 herein), the holders of the coupons (the "**Couponholders**") are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms, which are binding on them.

Words and expressions defined in 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.

References herein to "**RMB Notes**" are to Notes denominated in Renminbi. References herein to "**Renminbi**", "**RMB**" and "**CNY**" are to the lawful currency of the People's Republic of China (the "**PRC**") which, for the purposes of these Terms and Conditions, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan.

1 Form, Title and Transfer

The Notes are issued in bearer form.

Bearer Notes of this Series are deposited on or prior to the relevant Issue Date (i) if the Notes are issued in new global note ("**NGN**") form as specified in the applicable Final Terms, with a common safekeeper (the "**Common Safekeeper**") and (ii) if the Notes are issued in classic global note ("**CGN**") form as specified in the applicable Final Terms, with a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Unless specified otherwise in the applicable Final Terms, the Notes will be issued in CGN form. Any reference herein to Euroclear and/or Clearstream, Luxembourg (or the "clearing systems") shall, whenever the context so

permits, be deemed to include a reference to any additional or alternative clearing system approved by the Bank and the Agent (including SIX SIS AG ("**SIX SIS**")).

This Note is a Fixed Rate Note, a Fixed Rate Note with a Step-Up, a Floating Rate Note, a Zero Coupon Note or a Range Accrual Note or any appropriate combination thereof, depending upon the Interest Basis specified in the applicable Final Terms. Exempt Notes may be an Index Linked Redemption Amount Note (collectively with Index Linked Interest Notes, "***Index Linked Notes***" and each, an "***Index Linked Note***"), a Dual Currency Note, a Partly Paid Note, an Instalment Note, or a combination of any of the foregoing, depending upon the Redemption/Payment Basis specified in the applicable Pricing Supplement.

Notes in definitive form ("**Definitive Notes**") will be serially numbered in the Specified Currency and the Specified Denomination(s) and, if applicable, integral multiples of the Calculation Amount(s) in excess of the lowest Specified Denomination up to but excluding an integral multiple of the highest Specified Denomination. Interest bearing Definitive Notes will have interest coupons ("**Coupons**") and, if applicable, talons for further coupons ("**Talons**") attached. Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Exempt Notes in definitive form which are repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. Global Notes do not have Receipts, Coupons or Talons attached on issue.

So long as the Notes are represented by a Global Note and the relevant clearing system(s) so permit, the Notes shall be tradeable only in nominal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) specified in the applicable Final Terms and higher integral multiples of at least 1,000 in the relevant currency as specified in the applicable Final Terms (the "**Integral Amount**"), notwithstanding that no definitive Notes will be issued with a denomination above the Definitive Amount in such currency. For the purposes of these Conditions, the "**Definitive Amount**" shall be equal to two times the lowest Specified Denomination minus the Integral Amount.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The holder of each Coupon, whether or not such Coupon is attached to a Note, in his capacity as such, shall be subject to and bound by all the provisions contained in the relevant Note. The Bank, the Agent and any other Paying Agents may deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out below.

For so long as any of the Notes are represented by a Global Note, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg, as the case may be, as the beneficial owner of a particular nominal amount of such Global Notes (in which regard any certificate or other document issued by any such clearing system 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 Bank, the Agent or any other Paying Agent, as the case may be, as the holder of such nominal amount of such Notes for all purposes other than for the payment of principal and interest on such Notes, the right to which shall be vested, as against the Bank, the Agent or any other Paying Agent, as the case may be, solely in Euroclear and/or Clearstream, Luxembourg, as the case may be, in accordance with and subject to its terms (and the expressions "**Noteholder**", "**holder of Notes**" and related expressions shall be construed accordingly).

None of the Bank, the Agent or any other Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in any Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

2 Definitive Notes

Beneficial interests in a permanent Global Note will be exchangeable in whole for security-printed Definitive Notes only (i) if Definitive Notes are required to be provided by applicable law; (ii) in the case of a permanent Global Note deposited with a common depositary for Euroclear and/or Clearstream, Luxembourg, if Euroclear or Clearstream, Luxembourg, as the case may be, is closed for business for a continuous period of at least 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or (iii) if an Event of Default (as defined in Condition 10) has occurred and is continuing and the relevant clearing system acting on instructions of any owner of a beneficial interest in the permanent Global Note having requested in writing Definitive Notes from the Agent. In the circumstances described above, the Bank will cause sufficient Definitive Notes to be executed and delivered as soon as practicable (and in any event within 45 days of the occurrence of any of the circumstances described in (ii) above or the making of the written request described in (iii) above) (the "**Permanent Exchange Date**") to the Agent and/or other Paying Agents, as the case may be, for completion, authentication and delivery, free of charge, to the relevant Noteholders.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of the minimum Specified Denomination. In such a case a Noteholder who, as a result of trading such amounts, holds a nominal amount of less than the minimum Specified Denomination may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a nominal amount of Notes such that its holding amounts to a Specified Denomination.

3 Status of Notes

(a) Status of Senior Notes:

The Senior Notes will constitute deposit liabilities of the Bank for purposes of the Bank Act. The Senior Notes will constitute legal, valid and binding unsubordinated and unsecured obligations of the Bank enforceable in accordance with their terms and will rank pari passu with all deposit and other unsubordinated liabilities of the Bank (except as otherwise prescribed by law and subject to the exercise of bank resolution powers) and without any preference amongst themselves. Unless otherwise specified in the applicable Final Terms, the main branch of the Bank in Toronto will take the deposits evidenced by the Senior Notes, but without prejudice to the provisions of Condition 6. The Senior Notes will not be deposits insured under the Canada Deposit Insurance Corporation Act (the "**CDIC Act**").

(b) Status of Bail-inable Notes:

This Condition 3(b) will apply in respect of all Senior Notes issued by the Bank that are identified as Bail-inable Notes in the applicable Final Terms ("**Bail-inable Notes**"). All Senior Notes that (i) have an original or amended term to maturity of more than 400 days, have one or more explicit or embedded options, that if exercised by or on behalf of the Bank, could result in a maturity date that is more than 400 days from the date of issuance of the Senior Note or that have an explicit or embedded option that, if exercised by or on behalf of the Noteholder, could by itself result in a maturity date that is more than

400 days from the maturity date that would apply if the option were not exercised; and (ii) are not otherwise excluded (e.g. structured notes (as such term is used under the Canadian bank recapitalisation regime for banks designated by the Superintendent of Financial Institutions (Canada) (the "**Superintendent**") as domestic systemically important banks (the "**Bail-in Regime**")) under the Bail-in Regime, will be identified as Bail-inable Notes in the applicable Final Terms. Senior Notes that constitute structured notes (as such term is used under the Bail-in Regime) or are otherwise excluded under the Bail-in Regime will not be identified as Bail-inable Notes in the applicable Final Terms.

By its acquisition of an interest in Bail-inable Notes, each Noteholder (which, for the purposes of this Condition 3(b), includes each holder of a beneficial interest in such Bail-inable Notes) is deemed to:

(i) agree to be bound, in respect of such Bail-inable Notes, by the CDIC Act, including the conversion of the Bail-inable Notes, in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and by the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a "**Bail-in Conversion**");

(ii) attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;

(iii) have represented and warranted to the Bank that the Bank has not directly or indirectly provided financing to the Noteholder for the express purpose of investing in Bail-inable Notes; and

(iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Noteholder despite any provisions in these Conditions, any other law that governs the Bail-inable Notes and any other agreement, arrangement or understanding between such Noteholder and the Bank with respect to such Bail-inable Notes.

The applicable Final Terms will indicate whether Senior Notes are Bail-inable Notes. All Bail-inable Notes will be subject to Bail-in Conversion.

Noteholders and beneficial owners of a Bail-inable Note will have no further rights in respect of a Bail-inable Note to the extent a Bail-inable Note is converted in a Bail-in Conversion, other than those provided under the Bail-in Regime, and by its acquisition of an interest in the Bail-inable Note, each Noteholder or beneficial owner of the Bail-inable Note is deemed to irrevocably consent to the converted portion of the principal amount of the Bail-inable Note and any accrued and unpaid interest thereon being deemed paid in full by the issuance of common shares of the Bank (or, if applicable, any of its affiliates) upon the occurrence of a Bail-in Conversion, which Bail-in Conversion shall occur without any further action on the part of that Noteholder or beneficial owner or the Paying Agents; provided that, for the avoidance of doubt, this consent shall not limit or otherwise affect any rights of that Noteholder or beneficial owner provided for under the Bail-in Regime.

Each Noteholder or beneficial owner of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such Noteholder or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders or beneficial owners that acquire an interest in the Bail-inable Notes

upon their initial issuance, including, without limitation, with respect to the terms of the Bail-inable Notes related to the Bail-in Regime.

By its acquisition of an interest in a Bail-inable Note, each Noteholder or beneficial owner of a Bail-inable Note is deemed to have authorised, directed and requested Euroclear and Clearstream, Luxembourg and any direct participant in such clearing system or other intermediary through which it holds the Bail-inable Note to take any and all necessary action, if required, to implement the Bail-in Conversion or any other action pursuant to the Bail-in Regime with respect to the Bail-inable Note, as may be imposed on it, without any further action or direction on the part of that Noteholder or beneficial owner or the Paying Agents, except as required in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream and/or the intermediary, as applicable.

(c) Status of Principal At Risk Notes

The Principal At Risk Notes will evidence Senior Notes that are not principal protected. The Principal At Risk Notes will not be deposits insured under the CDIC Act.

4 Interest

(a) Interest on Fixed Rate Notes

This Condition 4(a) applies to Fixed Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4(a) for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, any applicable Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction, any applicable Determination Date, any applicable Range Accrual Factor and any Calculation Agent.

(i) Fixed Interest Periods and Interest Payment Dates

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, subject to the application of the Range Accrual Factor, if applicable. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date so specified if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as otherwise 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 so specified.

As used in these 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 an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated by the Calculation Agent in respect of any period by applying the Rate of Interest to:

(i) 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

(ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and in each case, multiplying such sum by (i) the applicable Day Count Fraction, (ii) if the applicable Final Terms specify "Range Accrual" to be applicable to such Interest Payment Date, the applicable Range Accrual Factor (which shall be determined in accordance with Condition 4(m) (Calculation of Range Accrual Factor) below), 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 is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without further rounding.

In the case of Range Accrual Notes (as defined in Condition 4(m) below), Condition 4(d) shall also apply.

In the case of Notes for which Adjusted Fixed Interest Periods is specified as applying in the applicable Final Terms, where the Notes are represented by a Global Note or where the Specified Denomination of a definitive Note is a multiple of the Calculation Amount, the amount of interest 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 outstanding principal amount of the Global Note or the Specified Denomination of a definitive Note, without any further rounding:

(A) where (x) there is not a numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) any Interest Payment Date would otherwise fall on a day (other than a Saturday or a Sunday) which is not a Business Day, then such Interest Payment Date shall be adjusted, as specified in the applicable Final Terms, for payment and interest accrual purposes, in accordance with the Business Day Convention (as defined in Condition 4(c)(i) specified in the applicable Final Terms) where "**Business Day**" shall be as defined in Condition 4(c)(i); and

(B) the Calculation Agent will cause each Interest Amount for each Fixed Interest Period and the relevant Interest Payment Date to be notified to the Bank and to any stock exchange on which the relevant Fixed Rate Notes are for the time being listed or admitted to trading, and for so long as the Notes are represented by a global Note, Euroclear and/or Clearstream, Luxembourg, and to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Fixed Interest Period. For the purposes of this Condition 4(a)(B), the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle

payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

In these Conditions:

"**Calculation Agent**" means such entity as may be specified in the applicable Final Terms as the Calculation Agent.

"**Day Count Fraction**" means in respect of a 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 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;

(ii) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Accrual Period divided by 360;

(iii) if "***30/360***" is specified in the applicable Final Terms, the number of days in the Accrual Period (such number of days being calculated on the basis of a 360-day year consisting of 12 months of 30 days) divided by 360;

(iv) if "***30E/360***" is specified in the applicable Final Terms, the number of days in the Accrual 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:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Accrual Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Accrual Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Accrual Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Accrual Period, unless such number would be 31, in which case D2 will be 30; and

(v) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the relevant period divided by 365.

"**Determination Date**" means the date specified in the applicable Final Terms or, if none is specified, it means the Interest Payment Date.

"**Determination Period**" means the period from (and including) a Determination Date to but excluding the next Determination Date (including, where 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 following after, such date).

"**euro***"* means the currency of the Member States of the European Union (the "**EU**") that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

"**Interest Amount**" means the amount of interest per Calculation Amount payable for a period for which a Fixed Coupon Amount has not been specified.

"***RMB Settlement Centre***" means the financial centre(s) specified as such in the applicable Final Terms in accordance with applicable laws and regulations. If no RMB Settlement Centre is specified in the applicable Final Terms, the RMB Settlement Centre shall be deemed to be Hong Kong.

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

(ii) Fixed Rate Notes with a Step-Up

"**Fixed Interest Period End Date**" means each date specified in the applicable Final Terms.

In respect of a Fixed Rate Note with a step-up in the rate of interest, the Rate of Interest in respect of each Fixed Interest Period means the "Rate of Interest (Step-Up)" specified to

be applicable in respect of each Fixed Interest Period End Date on which the Fixed Interest Period ends, as set forth in the applicable Final Terms.

(b) *Interest on Fixed Rate Reset Notes*

Each Fixed Rate Reset Note bears interest on its outstanding nominal amount:

(i) from and including the Interest Commencement Date up to but excluding the First Reset Date at the Initial Rate of Interest;

(ii) in the First Reset Period, at the First Reset Rate of Interest; and

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a "**Rate of Interest**") payable, subject as provided herein, in arrear on each Interest Payment Date. The amount of interest payable shall be determined by the Calculation Agent in accordance with this Condition 4.

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

In this Condition 4(b):

"**Anniversary Date(s)**" means each date specified as such in the applicable Final Terms;

"**Benchmark Gilt**" means, in respect of a Reset Period, such UK government security having a maturity date on or about the last day of such Reset Period as the Calculation Agent, with the advice of the Reset Reference Banks, may determine to be appropriate;

"**Benchmark Gilt Rate**" means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 (0.0005 being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reset Reference Banks at or around 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be determined by the Calculation Agent in its sole discretion following consultation with the Bank;

"**dealing day**" means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities;

"**First Reset Date**" means the date specified as such in the applicable Final Terms;

"**First Reset Period**" means the period from and including the First Reset Date up to but excluding the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the date fixed for redemption of the Notes (if any);

"**First Reset Rate of Interest**" means the rate of interest as determined by the Calculation Agent on the Reset Determination Date corresponding to the First Reset Period as the sum of the relevant Reset Rate plus the relevant Margin;

"**Initial Rate of Interest**" means the initial rate of interest per annum specified in the applicable Final Terms;

"**Margin**" means the margin (expressed as a percentage) in relation to the relevant Reset Period specified as such in the applicable Final Terms;

"**Mid-Swap Maturity**" has the meaning specified in the applicable Final Terms;

"**Mid-Swap Quotations**" means the arithmetic mean of the bid and offered rates for the Specified Fixed Leg, calculated on the Fixed Leg Day Count Fraction, of a fixed-for-floating interest rate swap transaction in the Specified Currency which (i) has a term commencing on the relevant Reset Date which is equal to that of the relevant Reset Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a floating leg, calculated on the Floating Leg Day Count Fraction, based on the Floating Leg Rate Option for the Mid-Swap Maturity;

"**Mid-Swap Rate**" means in respect of a Reset Period, (i) the applicable semi-annual or annualised (as specified in the applicable Final Terms) mid-swap rate for swap transactions in the Specified Currency (with a maturity equal to that of the relevant Reset Period) as displayed on the Screen Page at 11.00 a.m. or any other Relevant Time specified in the applicable Final Terms (in the principal financial centre of the Specified Currency) on the relevant Reset Determination Date (which rate, if the relevant Interest Payment Dates are other than semi-annual or annual Interest Payment Dates, shall be adjusted by and in the manner determined by, the Calculation Agent) or (ii) if such rate is not displayed on the Screen Page at such time and date, the relevant Reset Reference Bank Rate;

"**Reference Bond**" means for any Reset Period a government security or securities issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Calculation Agent in its discretion after consultation with the Bank as having an actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Calculation Agent, after consultation with the Bank) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of comparable maturity to the relevant Reset Period;

"**Reference Bond Dealer**" means each of five banks which are primary government securities dealers or market makers in pricing corporate bond issuances, as selected by the Calculation Agent in its discretion after consultation with the Bank;

"**Reference Bond Dealer Quotations**" means, with respect to each Reference Bond Dealer and the Reset Determination Date, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) as at approximately 11.00 a.m. (or any other Relevant Time as specified in the applicable Final Terms) in the principal financial centre of the Specified Currency on the Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bond Dealer;

"**Reference Bond Price**" means, with respect to a Reset Determination Date, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations, or (c) if the Calculation Agent obtains only one Reference Bond Dealer Quotation or if the Calculation Agent obtains no Reference Bond Dealer Quotations, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest;

"**Reference Bond Rate**" means, in respect of a Reset Period, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price;

"**Reset Determination Date**" means, in respect of a Reset Period, (a) each date specified as such in the applicable Final Terms or, if none is so specified, (b) (i) if the Specified Currency is sterling or Renminbi, the first Business Day of such Reset Period, (ii) if the Specified Currency is euro, the day falling two T2 Business Days prior to the first day of such Reset Period, (iii) if the Specified Currency is US dollars, the day falling two U.S. Government Securities Business Days prior to the first day of such Reset Period (iv) for any other Specified Currency, the day falling two Business Days in the principal financial centre for such Specified Currency prior to the first day of such Reset Period;

"**Reset Date**" means each of the First Reset Date, the Second Reset Date and each of the Anniversary Dates (if any) as is specified in the applicable Final Terms;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period;

"**Reset Rate**" means (a) if 'Mid-Swap Rate' is specified in the applicable Final Terms, the relevant Mid-Swap Rate; (b) if 'Benchmark Gilt Rate' is specified in the applicable Final Terms, the relevant Benchmark Gilt Rate; or (c) if 'Reference Bond Rate' is specified in the applicable Final Terms, the relevant Reference Bond Rate;

"**Reset Reference Bank Rate**" means the percentage rate determined on the basis of the Mid-Swap Quotations provided by the Reset Reference Banks to the Calculation Agent at or around 11.00 a.m. (or any other Relevant Time specified in the applicable Final Terms) in the principal financial centre of the Specified Currency (which in the case of Renminbi shall, for these purposes, be Hong Kong) on the relevant Reset Determination Date and, rounded, if necessary, to the nearest 0.001 (0.0005 being rounded upwards). If at least four quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of

equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the rounded quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be determined by the Calculation Agent in its sole discretion following consultation with the Bank;

"**Reset Reference Banks**" means (i) in the case of the calculation of a Reset Reference Bank Rate, five leading swap dealers in the principal interbank market relating to the Specified Currency selected by the Calculation Agent in its discretion after consultation with the Bank or (ii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers selected by the Calculation Agent in its discretion after consultation with the Bank;

"**Screen Page**" means the screen page on Thomson Reuters or any other information service as is specified in the applicable Final Terms, or such other screen page as may replace it on Thomson Reuters or any other information service or, as the case may be, on such other information service that may replace Thomson Reuters or any other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying comparable rates;

"**Second Reset Date**" means the date specified as such in the applicable Final Terms;

"**Subsequent Reset Period**" means the period from and including the Second Reset Date to but excluding the next Reset Date, and each successive period from and including a Reset Date to but excluding the next succeeding Reset Date or the Maturity Date, as the case may be;

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent on the Reset Determination Date corresponding to such Subsequent Reset Period as the sum of the relevant Reset Rate plus the relevant Margin; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(c) *Interest on Floating Rate Notes*

This Condition 4(c) applies to Floating Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 4(c) for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Final Terms will identify, as applicable, any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, whether Screen Rate Determination or CMS Rate applies to the calculation of interest, the party who will calculate the amount of interest if not the Agent, the Margin, any maximum or minimum interest rates, the Day Count Fraction and any applicable Range Accrual Factor. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Relevant Financial

Centre, Interest Determination Date(s), Relevant Screen Page and any applicable Range Accrual Factor.

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) (each an "***Interest Payment Date***") in each year specified in the applicable Final Terms; or

(B) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, on each date (each, 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 the first Interest Payment Date, after the Interest Commencement Date.

Such interest shall be payable in respect of each Interest Period subject to the application of the Range Accrual Factor, if applicable. In these Conditions, "***Interest Period***" means (i) the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date; and (ii) such other period (if any) in respect of which interest is to be calculated being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, in the case of the schedule final or early redemption of any Notes, shall be the date for redemption, and in other cases where the relevant Notes become due and payable in accordance with Condition 10, shall be the date on which such Notes become due and payable).

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:

(A) in any case where Specified Periods are specified in accordance with Condition 4(c)(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 (1) such Interest Payment Date shall be the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or

(B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(C) 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;

(D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(E) "No Adjustment", the relevant date shall not be adjusted in accordance with any Business Day Convention.

In these Conditions, "***Business Day***" means a day which is both:

(A) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and any Additional Business Centre (other than T2) specified in the applicable Final Terms and if T2 is specified as an Additional Business Centre, a T2 Business Day (as defined below); and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which, in the case of Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and, if T2 is specified as an Additional Business Centre in the applicable Final Terms, a day which is a T2 Business Day (as defined below); (2) in relation to any sum payable in euro, a day (other than a Saturday or Sunday) which is a T2 Business Day (as defined below); or (3) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the RMB Settlement Centre(s).

(ii) Rate of Interest

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

(A) Screen Rate Determination

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, subject to Condition 4(n) below, be:

(1) where the Reference Rate is specified as being EURIBOR, NIBOR, CNH HIBOR or HIBOR, either:

(X) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(Y) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 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 the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the applicable 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 rate, one only of such rates) and the lowest (or, if there is more than one such lowest rate, one only of such rates) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If on any Interest Determination Date the Relevant Screen Page is not available or the offered quotation or quotations are unavailable, the Agent shall request each of the Reference Banks (as defined below) to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period at approximately the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question. If two or more of the 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 fifth decimal place, with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at the Relevant Time in the Relevant Financial Centre on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the Euro-zone interbank market (if the Reference Rate is EURIBOR), the Hong Kong interbank market (if the Reference Rate is CNH HIBOR or HIBOR) or the Norwegian interbank market (if the Reference Rate is NIBOR), plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, at the Relevant Time in the Relevant Financial Centre on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Bank suitable for such purpose) informs the Agent it is quoting to leading banks in the Euro-zone interbank market (if the Reference Rate is EURIBOR), the Hong Kong interbank market (if the Reference Rate is CNH HIBOR or HIBOR) or the

Norwegian interbank market (if the Reference Rate is NIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be 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).

(B) CMS Rate

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being CMS Rate, the Rate of Interest for each Interest Period will be, subject to Condition 4(n) (unless stated otherwise in a Pricing Supplement for Exempt Notes), all as determined by the Calculation Agent.

(x) where "**CMS Reference Rate**" is specified as the Applicable CMS Formula in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

CMS Rate + Margin

(y) where "**Leveraged CMS Reference Rate**" is specified as the Applicable CMS Formula in the applicable Final Terms, determined by the Calculation Agent by reference to the following formulae:

Either:

(I) where "**Leveraged CMS Reference Rate: Standard**" is specified in the applicable Final Terms:

Leverage x (CMS Rate + Margin)

(II) where "**Leveraged CMS Reference Rate: Floor/Cap**" is specified in the applicable Final Terms:

Min {Max [Leverage x (CMS Rate + Margin); Floor]; Cap}

(z) where "**Steepener CMS Reference Rate**" is specified as the Applicable CMS Formula in the applicable Final Terms, determined by the Calculation Agent by reference to the following formulae:

Either:

(I) where "**Steepener CMS Reference Rate: Unleveraged**" is specified in the applicable Final Terms:

Min {Max [(CMS Rate 1 – CMS Rate 2 + Margin); Floor]; Cap}

or

(II) where "**Steepener CMS Reference Rate: Leveraged**" is

specified in the applicable Final Terms:

Min {Max [Leverage x (CMS Rate 1 – CMS Rate 2 + Margin); Floor]; Cap}

For the purposes of this sub-paragraph (B):

"**Cap**", "**CMS Rate 1**", "**CMS Rate 2**", "**CMS Maturity**", "**Floor**", "**Leverage**", "**Margin**", "**Reference Currency**" and "**Relevant Financial Centre**" shall have the meanings given to those terms in the applicable Final Terms.

The "**CMS Rate**" for an Interest Period means the Relevant Swap Rate (expressed as a percentage rate per annum) which appears on the Relevant Screen Page as at the Relevant Time on the relevant Interest Determination Date, all as determined by the Calculation Agent.

(1) Fallbacks for Reference Currency other than Canadian dollars

Subject to Condition 4(n), if the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately the Relevant Time on the Interest Determination Date in question. If at least three of the CMS Reference Banks provide the Calculation Agent such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) in the case of five quotations or more.

Subject to Condition 4(n), if on any Interest Determination Date less than three only or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

(2) Fallbacks where Reference Currency is Canadian dollars

Subject to Condition 4(n), if the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage per annum) at approximately the Relevant Time on the Interest Determination Date in question. If two or more of such banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of such quotations in the case of five quotations or more.

Subject to Condition 4(n), if on any Interest Determination Date fewer than two of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

(C) SONIA Compounded Daily Rate

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being SONIA and the calculation method is specified as being "Compounded Daily Rate", the Rate of Interest for each Interest Period will, subject to Condition 4(n) and as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

"**Compounded Daily SONIA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment corresponding to such Interest Period (with SONIA as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{Relevant\,SONIA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period:

(a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"$\mathbf{d_0}$" is the number of London Banking Days in the relevant Interest Period:

(a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"***i***" is a series of whole numbers from one to d_O, each representing the relevant London Banking Day in:

(a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, United Kingdom;

"$\mathbf{n}_i$", for any London Banking Day "*i*", means the number of calendar days from and including such London Banking Day "*i*" up to (but excluding) the following London Banking Day;

"**Observation Period**" means, the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**Observation Look-Back Period**" is as specified in the applicable Final Terms, and shall in no case be less than five London Business Days;

"**p**" is the number of London Banking Days included in the Observation Look-back Period specified in the applicable Final Terms which shall not be less than five without the prior agreement of the Calculation Agent;

"**Relevant SONIA**$_i$" means, in respect of any London Banking Day "i":

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, SONIA$_{i\text{-}pLBD}$; or

(b) where "Shift" is specified as the Observation Method in the applicable Final Terms, SONIA$_{iLBD}$;

"**SONIA$_{iLBD}$**" means, in respect of any London Banking Day "i" the SONIA reference rate for such London Banking Day "i";

"**SONIA$_{i\text{-}pLBD}$**" means, in respect of any London Banking Day "i" falling in the relevant Interest Period, the SONIA reference rate for the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i".

"**SONIA reference rate**", in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, in each case on the London Banking Day immediately following such London Banking Day; and

"**SONIA$_{\textit{i-pLBD}}$**" means, in respect of any London Banking Day "*i*", the SONIA reference rate for the London Banking Day falling "*p*" London Banking Days prior to the relevant London Banking Day "*i*".

If, subject to Condition 4(n), in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent determines that the SONIA reference rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, the Calculation Agent shall determine such SONIA reference rate as being:

(a) the sum of (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(b) if the Bank Rate is not published by the Bank of England as set out in sub-paragraph (a) above on the relevant London Banking Day, the SONIA reference rate published on the Screen Page (or otherwise published by the relevant authorised distributors) for the immediately preceding London Banking Day on which the SONIA reference rate was published on the Screen Page (or otherwise published by the relevant authorised distributors).

Notwithstanding the foregoing, and subject to Condition 4(n), in the event of the Bank of England publishing guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation Agent shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA reference rate, for purposes of Notes for so long as the SONIA rate is not available and has not been published by the authorised distributors.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 4(n), the Rate of Interest applicable to the Notes during such Interest Period will be:

(i) the Rate of Interest last determined in relation to the Notes in respect of the last preceding Interest Period (though, where a different Margin, Maximum Rate of Interest or Minimum Rate of Interest is to be applied during such Interest Period from that which applied during the last preceding Interest Period, substituting such Margin, Maximum Rate of Interest or Minimum Rate of Interest by the Margin, Maximum Rate of Interest or Minimum Rate of Interest applicable to the relevant Interest Period); or

(ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If the Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes become due and payable and the Rate of Interest of such Notes shall, for so long as such Notes remain outstanding, be that determined on such date.

(D) SONIA Compounded Index Rate

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being "**SONIA**" and the Calculation Method is specified as being "Compounded Index Rate", the Rate of Interest for each Interest Period will, subject to Condition 4(n) and as provided below, be Compounded Daily SONIA for the Interest Period determined by reference to the screen rate or index for Compounded Daily SONIA administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the relevant determination dates specified below, as further specified in the applicable Final

Terms (the "**SONIA Compounded Index**") and in accordance with the following formula, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards, plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any) all as determined by the Calculation Agent:

Compounded Daily SONIA rate (Index) =

$$\left(\frac{SONIA\ Compounded\ Index_{y}}{SONIA\ Compounded\ Index_{x}} - 1\right) x \frac{365}{d}$$

where:

"**x**" denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of the relevant Interest Period;

"**y**" denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the Interest Payment Date for such Interest Period, or such other date as when the relevant payment of interest falls to be due (but which by definition or the operation of the relevant provisions is excluded from such Interest Period);

"**d**" is the number of calendar days from (and including) the day in relation to which x is determined to (but excluding) the day in relation to which y is determined; and

"**Relevant Number**" is as specified in the applicable Final Terms.

If the SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the relevant time on any relevant Interest Determination Date as specified in the applicable Final Terms, the Compounded Daily SONIA rate (Index) for the applicable Interest Period for which SONIA Compounded Index is not available shall be "**Compounded Daily SONIA**" determined in accordance with Condition 4(c)(ii)(C) above as if Compounded Index Rate is not specified as being applicable in the applicable Final Terms. For these purposes, the "Calculation Method" shall be deemed to be "**Compounded Daily Rate**", the Relevant Number specified in the applicable Final Terms shall be the "Observation Lookback Period" and "Observation Method" shall be deemed be "Shift" as if Compounded Index Rate is not specified as being applicable and these alternative elections had been made.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 4(n), the Rate of Interest applicable to the Notes during such Interest Period will be the Rate of Interest last determined in relation to the Notes in respect of the last preceding Interest Period (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place

of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period).

If the Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes become due and payable and the Rate of Interest of such Notes shall, for so long as such Notes remain outstanding, be that determined on such date.

(E) Compounded Daily €STR Reference Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being "**€STR**", the Rate of Interest for each Interest Period will, as provided below and subject to Condition 4(n), be Compounded Daily €STR plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any) all as determined by the Calculation Agent.

"**Compounded Daily €STR**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with each 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{(\text{€STR}_{i-pTBD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"$\mathbf{d_0}$", for any Interest Period, is the number of T2 Business Days (as defined below) in the relevant Interest Period;

"$\mathbf{€STR_{i\text{-}pTBD}}$", for any day "i" in the relevant Interest Period, means the €STR Reference Rate for the T2 Business Day falling "p" T2 Business Days prior to the relevant T2 Business Day "i";

"**i**" is a series of whole numbers from one to do, each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day in the relevant Interest Period;

"$\mathbf{n_i}$" for any T2 Business Day "i" is the number of calendar days from, and including, such T2 Business Day "i" up to, but excluding, the earlier of (i) the following T2 Business Day or (ii) the last day of the relevant Interest Period or in respect of the final Interest Period the Maturity Date;

"**p**", for any Interest Period, is the number of T2 Business Days included in the Observation Look-back Period, as specified in the applicable Final Terms, and which

shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

"**ECB Recommended Rate Index Cessation Event**" means the occurrence of one or more of the following events:

(a) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to publish or provide the ECB Recommended Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

(b) a public statement or the publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the ECB Recommended Rate;

"**ECB Recommended Rate Index Cessation Effective Date**" means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate would ordinarily have been provided and is no longer provided;

"**€STR Index Cessation Event**" means the occurrence of one or more of the following events:

(a) a public statement or publication of information by or on behalf of the administrator of €STR announcing that it has ceased or will cease to publish or provide €STR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide €STR; or

(b) a public statement or the publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide €STR;

"**€STR Index Cessation Effective Date**" means, in respect of an €STR Index Cessation Event, the first date on which €STR would ordinarily have been provided and is no longer provided;

"**€STR Reference Rate**" means in respect of any T2 Business Day, a reference rate equal to the daily euro short-term rate ("**€STR**") for such T2 Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank,

currently at http://www.ecb.europa.eu, or any successor website officially designated by the European Central Bank (the "**ECB's Website**") (in each case, on or before 9.00 a.m. Central European Time on the T2 Business Day immediately following such T2 Business Day) (or any amended publication time as specified by the administrator of €STR in the €STR benchmark methodology);

"**T2 Business Day**" or "**TBD**" means a day on which the T2 System (as defined in Condition 4 below) is open;

If the €STR Reference Rate does not appear on a T2 Business Day as specified above, unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date (each as defined below) have occurred, the €STR Reference Rate shall be a rate equal to €STR in respect of the last T2 Business Day for which such rate was published on the ECB's Website.

If the €STR Reference Rate does not appear on a T2 Business Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each T2 Business Day occurring on or after such €STR Index Cessation Effective Date will be determined as if references to "€STR" were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by (i) the European Central Bank (or any successor administrator of €STR) and/or (ii) the European Securities Markets Authority, in each case for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) (the "**ECB Recommended Rate**"), provided that, if no such rate has been recommended before the end of the first T2 Business Day following the €STR Index Cessation Effective Date, then the rate for each T2 Business Day occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility that banks may use to make overnight deposits with the Eurosystem, as published on the ECB's Website (the "**EDFR**") on such T2 Business Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR over an observation period of 30 T2 Business Days starting 30 T2 Business Days prior to the date on which the €STR Index Cessation Event occurs and ending on the T2 Business Day immediately preceding the day on which the €STR Index Cessation Event occurs (the "**EDFR Spread**"); provided further that, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each T2 Business Day occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to "€STR" were references to the EDFR on such T2 Business Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR over an observation period of 30 T2 Business Days starting 30 T2 Business Days prior to the date on which the €STR Index

Cessation Event occurs and ending on the T2 Business Day immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 4(n), the Rate of Interest applicable to the Notes during such Interest Period will be:

(i) the Rate of Interest last determined in relation to the Notes in respect of the last preceding Interest Period (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or

(ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If an €STR Index Cessation Event occurs, the Bank will promptly notify the Calculation Agent of such occurrence.

If the Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes become due and payable and the Rate of Interest of such Notes shall, for so long as such Notes remain outstanding, be that determined on such date.

(F) Secured Overnight Financing Rate

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being "**SOFR**" and the Calculation Method is specified as being "**Compounded Daily Rate**", the Rate of Interest for each Interest Period will be determined in accordance with paragraph (1) below and where the Calculation Method is specified as being "**Compounded Index Rate**", the Rate of Interest shall be determined in accordance with paragraph (2) below.

(1) Calculation Method – Compounded Daily Rate

Subject to Condition 4(o) below, where "Compounded Daily Rate" is specified as the Calculation Method in the applicable Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded SOFR for such Interest Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin, if any, as determined by the Calculation Agent.

Where:

"**Compounded SOFR**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment computed in accordance with the following formula and will be calculated by the Calculation Agent on the relevant Interest Determination Date with the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \, x \, n_i}{360}\right)-1\right] x \frac{360}{d}$$

For the purpose of this sub-paragraph (F)(1):

"**d**" is the number of calendar days in the relevant Observation Period;

"**d_0**" is the number of U.S. Government Securities Business Days in the relevant Observation Period;

"**i**" is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

"**n_i**", for any U.S. Government Securities Business Day "i" in the relevant Observation Period, means the number of calendar days from and including such U.S. Government Securities Business Day "i" up to but excluding the following U.S. Government Securities Business Day;

"**$SOFR_i$**" means, in respect of any U.S. Government Securities Business Day "**i**", SOFR for the U.S. Government Securities Business Day "i";

"**Secured Overnight Financing Rate**" or "**SOFR**" means, with respect to any U.S. Government Securities Business Day:

(a) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at or around 3.00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(b) if the rate specified in (1) above does not so appear,

(i) if both a Benchmark Transition Event (as defined in Condition 4(o)) and its related Benchmark Replacement Date (as defined in Condition 4(o)) have not occurred, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website; or

(ii) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, then SOFR shall be determined to be the rate determined in accordance with Condition 4(o).

(2) Calculation Method – Compounded Index Rate

Subject to Condition 4(o) below, where "Compounded Index Rate" is specified as the Calculation Method in the applicable Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Compounded SOFR Index Rate for such Interest Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin, if any, as determined by the Calculation Agent.

Where:

"**Compounded SOFR Index Rate**" means, with respect to an Interest Period, the rate computed in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \frac{360}{d}$$

For the purposes of this sub-paragraph (F)(2):

"**d**" is the number of calendar days from (and including) SOFR $Index_{Start}$ to (but excluding) SOFR $Index_{End}$" (being the number of calendar days in the relevant Observation Period);

"**SOFR**" means the daily secured overnight rate as provided by the SOFR Administrator on the SOFR Administrator's website;

"**SOFR Index**" means, with respect to any U.S. Government Securities Business Day:

(a) the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website at or around 3.00 p.m. (New York time) on such U.S Government Securities Business Day (the "**SOFR Index Determination Time**"); provided that:

(b) if a SOFR Index value does not so appear as specified in (a) above at the SOFR Determination Time, then

(i) if a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to the "SOFR Index Unavailable" provisions (defined below); or

(ii) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, then Compounded SOFR shall be the rate determined pursuant to Condition 4(o).

"**SOFR $Index_{Start}$**" is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the first date of the relevant Interest Period (being the first day of the relevant Observation Period);"**SOFR $Index_{End}$**" is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period (being the last day of the relevant Observation Period);

"**SOFR Index Unavailable**" means if SOFR $\text{Index}_{\text{Start}}$ or SOFR $\text{Index}_{\text{End}}$ is not published on the associated Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, "Compounded SOFR Index Rate" means, for an Interest Determination Date for the applicable Interest Period for which such index is not available, the rate of return on a daily compounded interest investment calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the formula for SOFR Averages, and the definitions required for such formula, published on the SOFR Administrator's Website at https://www.newyorkfed.org/markets/treasury-repo-reference-rates-information.

For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period", and the words "that is, 30-, 90-, or 180- calendar days" shall be removed. If the daily SOFR ("**SOFR_i**") does not so appear for any day, "i" in the Observation Period, SOFR_i for such day "i" shall be SOFR published in respect of the preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's website.

(3) Definitions

For the purposes of this sub-paragraph (F),

"**Observation Look-Back Period**" is as specified in the applicable Final Terms;

"**Observation Period**" means the period from (and including) the day falling "p" U.S. Government Securities Business Days prior to the first day of the relevant Interest Period to (but excluding) the day falling "p" U.S. Government Securities Business Days prior to the relevant Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" is the number of U.S. Government Securities Business Days included in the Observation Look-Back Period, as specified in the applicable Final Terms (which shall not be less than five U.S. Government Securities Business Days);

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at *http://www.newyorkfed.org*, or any successor source; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(4) If the Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such

Notes become due and payable and the Rate of Interest of such Notes shall, for so long as such Notes remain outstanding, be that determined on such date.

(G) Swiss Average Rate Overnight

Where "**Screen Rate Determination**" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being SARON, the Rate of Interest for each Interest Period will, subject as provided below and subject to Condition 4(p), be SARON Compounded plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any) all as determined by the Calculation Agent.

"**SARON Compounded**" means, in respect of an Interest Period, the rate of return of a daily compound interest investment in Swiss Franc (with the daily Swiss Overnight Average Rate Overnight (SARON) as reference rate for the calculation of interest) as calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date as follows and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_b}\left(1+\frac{SARON_i \times n_i}{360}\right)-1\right] \times \frac{360}{d_c}$$

where:

"d_b" means the number of Zurich Banking Days in the relevant Observation Period;

"d_c" means the number of calendar days in the relevant Observation Period;

"i" is a series of whole numbers from one to d_b, representing the Zurich Banking Days in the relevant Observation Period in chronological order from, and including, the first Zurich Banking Day in such Observation Period;

"n_i" means, in respect of any Zurich Banking Day "i", the number of calendar days from, and including, the Zurich Banking Day "i" up to, but excluding, the first following Zurich Banking Day;

"**Observation Period**" means the period from, and including, the date falling "p" Zurich Banking Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date falling "p" Zurich Banking Days prior to (A) the Interest Payment Date for such Interest Period or (B) such earlier date on which such Notes become due and payable;

"**Observation Look-Back Period**" is as specified in the applicable Final Terms;

"***p***" means the number of Zurich Banking Days specified to be the Observation Look-Back Period in the applicable Final Terms (which shall not be less than five Zurich Banking Days);

"**SARON**$_i$" means, in respect of any Zurich Banking Day "i", SARON for such Zurich Banking Day "i";

"**SARON**" means, in respect of any Zurich Banking Day, a reference rate equal to the Swiss Average Rate Overnight for such Zurich Banking Day published by the SARON Administrator on the SARON Administrator Website at the Relevant Time on such Zurich Banking Day; and

"**Zurich Banking Day**" means a day on which banks are open in the City of Zurich for the settlement of payments and of foreign exchange transactions.

If SARON does not so appear on the SARON Administrator Website or is not so published by the Relevant Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date (as defined in Condition 4(p)(vi)) have not both occurred on or prior to such Zurich Banking Day, SARON for such Zurich Banking Day shall be the rate equal to the Swiss Average Rate Overnight published by the SARON Administrator on the SARON Administrator Website for the first preceding Zurich Banking Day on which the Swiss Average Rate Overnight was published by the SARON Administrator on the SARON Administrator Website.

For the purposes of this sub-paragraph (G):

"**Relevant Time**" means, in respect of any Zurich Banking Day, close of trading on SIX Swiss Exchange on such Zurich Banking Day, which is expected to be on or around 6.00 p.m. (Zurich time);

"**SARON Administrator**" means SIX Index AG or any successor administrator of SARON;

"**SARON Administrator Website**" means the website of the SARON Administrator; and

"**SIX Swiss Exchange**" means SIX Swiss Exchange AG and any successor thereto.

If the Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes become due and payable and the Rate of Interest of such Notes shall, for so long as such Notes remain outstanding, be that determined on such date.

(H) Tokyo Overnight Average Rate

Where "**Screen Rate Determination**" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being TONA, the Rate of Interest for each Interest Period will, subject as provided below, and subject to Condition 4(n), be TONA

Compounded plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any) all as determined by the Calculation Agent.

"**TONA Compounded**" means, in respect of an Interest Period, the rate of return of a daily compounded interest investment in Japanese Yen (with the daily Tokyo Overnight Average (TONA) as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\mathrm{TONA}_{i\text{-}p\mathrm{TBD}}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

For the purpose of this sub-paragraph (H):

"***d***" is the number of calendar days in the relevant Interest Period;

"d_0" is the number of Tokyo Banking Days in the relevant Interest Period;

"***i***" is a series of whole numbers from one to d_0, each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Interest Period;

"n_i" means, for any Tokyo Banking Day "i", the number of calendar days from and including such Tokyo Banking Day "i" up to but excluding the following Tokyo Banking Day ("**i+1**"); and

"**Observation Look-Back Period**" is as specified in the applicable Final Terms;

"***p***" means the number of Tokyo Banking Days included in the Observation Look-Back Period, as specified in the applicable Final Terms and shall in no case be less than five Tokyo Banking Days;

"**Tokyo Banking Day**" or "**TBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Tokyo;

"**TONA**", in respect of any Tokyo Banking Day, is a reference rate equal to the daily Tokyo Overnight Average Rate in respect of such Tokyo Banking Day as published by the Bank of Japan on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, in each case, on the Tokyo Banking Day immediately following such Tokyo Banking Day.

"$\mathbf{TONA_{i\text{-}pTBD}}$", means for any Tokyo Banking Day "i" falling in the relevant Interest Period, the TONA in respect of the Tokyo Banking Day falling "p" Tokyo Banking Days prior to the relevant Tokyo Banking Day "i".

If, in respect of that Tokyo Banking Day falling "p" Tokyo Banking Days prior to the relevant Tokyo Banking Day "i", the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms)

determines that the TONA is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such TONA shall be the TONA in respect of the first preceding Tokyo Banking Day on which the TONA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Notwithstanding the paragraph above, if a Benchmark Event occurs in relation to TONA, Condition 4(n) below shall apply.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent, but without prejudice to Condition 4(n), the Rate of Interest shall be:

(i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or

(ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If the Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes become due and payable and the Rate of Interest of such Notes shall, for so long as such Notes remain outstanding, be that determined on such date.

(I) Singapore Overnight Rate Average

(I) Compounded Daily SORA

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being SORA and the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily Rate", the Rate of Interest for each Interest Period will, subject to Condition 4(n) and as provided below, be Compounded Daily SORA plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent. Compounded Daily SORA will be calculated in accordance with the lag observation method in paragraph (1) below (the "**Observation Look-back Convention**") or the shift observation method in paragraph (2) below (the

"**Observation Shift Convention**" and each, an "**Observation Method**"). The applicable Final Terms will indicate which Observation Method is applicable.

(1) Observation Method – Observation Look-back Convention:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001 per cent.), with 0.00005 per cent. being rounded upwards.

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SORA_{i-xSBD}\times\ n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"***d***" is the number of calendar days in the relevant Interest Period;

"***d₀***", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to do, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Final Terms;

"***nᵢ***", for any day "*i*", is the number of calendar days from and including such day "*i*" up to but excluding the following Singapore Business Day;

"**Observation Look-back Period**" is as specified in the applicable Final Terms;

"**Observation Period**" means, for the relevant Interest Period, the period from (and including) the date falling "p" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to (but excluding) the date falling "p" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the

date falling "p" Singapore Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"***p***", for any Interest Period, is the number of Singapore Business Days included in the Observation Look-back Period and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such day "*i*"; and

"$\mathbf{SORA_{i-xSBD}}$", in respect of any Singapore Business Day falling in the relevant Interest Period, the reference rate equal to SORA in respect of the Singapore Business Day falling "*p*" Singapore Business Days prior to the relevant Singapore Business Day.

Subject to Condition 4(n), if by 5.00 p.m. Singapore time, on the Singapore Business Day immediately following such day "***i***", SORA in respect of such day "***i***" has not been published on the Relevant Screen Page and a Benchmark Event has not occurred, then SORA for that day "***i***" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(2) Observation Method – Observation Shift Convention:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001 per cent.), with 0.00005 per cent. being rounded upwards.

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right] \times \frac{365}{d}$$

where:

"***d***" is the number of calendar days in the relevant Observation Period;

"***d₀***", for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to do, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Final Terms ;

"***nᵢ***", for any day "***i***", is the number of calendar days from and including such day "i" up to but excluding the following Singapore Business Day;

"**Observation Look-back Period**" is as specified in the applicable Final Terms;

"**Observation Period**" means, for the relevant Interest Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"***p***", for any Interest Period, is the number of Singapore Business Days included in the Observation Look-back Period and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "***i***", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the

"**Relevant Screen Page**") on the Singapore Business Day immediately following such day "*i*"; and

"**SORA$_i$**" means, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

Subject to Condition 4(n), if by 5.00 p.m. Singapore time, on the Singapore Business Day immediately following such day "*i*", SORA in respect of such day "*i*" has not been published on the Relevant Screen Page and a Benchmark Event has not occurred, then SORA for that day "*i*" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(II) SORA Compounded Index Rate

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified in the applicable Final Terms as being "SORA" and the Calculation Method is specified in the applicable Final Terms as being "Compounded Index SORA", the Rate of Interest for each Interest Period will, subject to Condition 4(n) and as provided below, be Compounded Index SORA plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent. Compounded Index SORA will be calculated in accordance with the Compounded Index SORA method below.

"**Compounded Index SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage being rounded if necessary to the fourth decimal place (0.0001 per cent.), with 0.00005 per cent. being rounded upwards:

$$\left(\frac{SORA\ INDEX_{End}}{SORA\ INDEX_{Start}}\right) \times \left(\frac{365}{d_c}\right)$$

where:

"d_c" means the number of calendar days in the relevant Observation Period;

"**Observation Look-back Period**" is as specified in the applicable Final Terms;

"**Observation Period**" means, for the relevant Interest Period, the period from (and including) the date falling "*p*" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "*p*" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the

date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"***p***", for any Interest Period, is the number of Singapore Business Days included in the Observation Look-back Period;

"**Singapore Business Day**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA Index Value**" means, with respect to any Singapore Business Day:

(A) the value of the index known as the "SORA Index" administered by the Monetary Authority of Singapore (or any successor administrator thereof) as published by the Monetary Authority of Singapore (or any successor administrator) on the Relevant Screen Page on such Singapore Business Day provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Monetary Authority of Singapore, as the administrator of SORA (or any successor administrator of SORA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SORA Index Value in relation to such Singapore Business Day; or

(B) if the index in sub-paragraph (A) is not published or displayed by the administrator of SORA or other information service on the relevant Interest Determination Date as specified in the applicable Final Terms, the Reference Rate for the applicable Interest Period for which the index is not available shall be Compounded Daily SORA, and for these purposes, the Observation Method shall be deemed to be "Observation Shift Convention" and "Observation Look-back Period" shall be as set out in the applicable Final Terms, as if the Calculation Method is not specified in the applicable Final Terms as being "Compounded SORA Index" and these alternative elections had been made;

"**SORA Index$_{End}$**" means the SORA Index Value on the Singapore Business Day falling "*p*" Singapore Business Days before the Interest Payment Date relating to the relevant Interest Period (or in the case of the final Interest Period, the Maturity Date); and

"**SORA Index$_{Start}$**" means the SORA Index Value on the Singapore Business Day falling "*p*" Singapore Business Days before the first day of the relevant Interest Period.

(III) SORA – Fall Back

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent, subject to Condition 4(n), the Rate of Interest shall be:

(i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from

that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or

(ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

(IV) SORA – Acceleration upon Default

If the Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the relevant SORA formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

In this Condition 4:

"**CMS Reference Banks**" means (i) where the Reference Currency is euro, the principal office of five leading swap dealers in the Euro-zone interbank market, (ii) where the Reference Currency is sterling, the principal London office of five leading swap dealers in the London interbank market, (iii) where the Reference Currency is U.S. dollars, the principal New York City office of five leading swap dealers in the New York City interbank market, (iv) where the Reference Currency is Canadian dollars, four major Canadian Schedule 1 chartered banks, or (v) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre interbank market, in each case as selected by the Calculation Agent in consultation with the Issuer.

"**CNH HIBOR**" means CNH Hong Kong interbank offered rate.

"**EURIBOR**" means the Euro-zone interbank offered rate.

"**Euro-zone**" means the region comprised of Member States of the EU that adopt the euro as the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

"**Fixed Leg Day Count Fraction**" means the Day Count Fraction specified as such in the applicable Final Terms.

"**Floating Leg Rate Option**" means the rate option specified as such in the applicable Final Terms.

"**Floating Rate Day Count Fraction**" means the Day Count Fraction specified as such in the applicable Final Terms.

"**HIBOR**" means the Hong Kong interbank offered rate.

"**NIBOR**" means the Norwegian interbank offered rate.

"**Reference Banks**" means those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page.

"**Reference Rate**" means (i) EURIBOR, (ii) CNH HIBOR, (iii) HIBOR, (iv) SONIA, (v) CMS Rate, (vi) €STR, (vii) SOFR, (viii) NIBOR, (ix) SARON, (x) TONA or (xi) SORA, in each case for the relevant period, as specified in the applicable Final Terms.

"**Relevant Financial Centre**" means, with respect to any Floating Rate or CMS Rate, the financial centre as may be specified as such in the applicable Final Terms or, if none is so specified, means Brussels in the case of a determination of EURIBOR or €STR, Hong Kong in the case of a determination in CNH HIBOR or HIBOR or Oslo in the case of a determination in NIBOR.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters Monitor Money Rates Service ("**Reuters**")) as may be specified in the applicable Final Terms for the purposes of providing a Reference Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of deploying rates or prices comparable to that Reference Rate.

"**Relevant Swap Rate**" means the mid-market Specified Frequency swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the Specified Fixed Leg, calculated on the Fixed Leg Day Count Fraction basis, of a fixed-for-floating interest rate swap transaction in the Reference Currency with a term equal to the CMS Maturity commencing on the first day of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, where the floating leg calculated on the Floating Leg Day Count Fraction basis, is equivalent to the Floating Leg Rate Option with a designated maturity determined by the Calculation Agent by reference to standard market practice.

"**Relevant Time**" means (i) in the case of EURIBOR, 11.00 a.m., (ii) in the case of CNH HIBOR, 11.15 a.m., or if, at or around that time it is notified that the fixing will be published at 2.30 p.m., then as of 2.30 p.m., (iii) in the case of HIBOR, 11.00 a.m., (iv) in the case of NIBOR, 11.00 a.m., each as specified in the applicable Final Terms, or (v) where CMS Rate is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, has the meaning specified in the applicable Final Terms.

"**Representative Amounts**" means with respect of any CMS Rate on an Interest Payment Date, the amount that is representative for a single transaction in the relevant market at the time.

"**SONIA**" means the Sterling Overnight Index Average.

"**Specified Fixed Leg**" means any of the following as specified in the applicable Final Terms: (a) annual fixed leg; (b) semi-annual fixed leg; or (c) quarterly fixed leg.

"**Specified Frequency**" has the meaning given to it in the applicable Final Terms.

"**T2**" means the Trans-European Automated Real time Gross Settlement Express Transfer System (or any successor thereto).

"**T2 Business Day**" means a day on which T2 is open.

(iii) Determination of Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case multiplying such sum by (i) the applicable Day Count Fraction, (ii) if the applicable Final Terms specify "Range Accrual" to be applicable to such Interest Payment Date, the applicable Range Accrual Factor (which shall be determined in accordance with Condition 4(m) (Calculation of Range Accrual Factor) below), 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 in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Notes shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions, "**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with Condition 4(c) for any Interest Period:

(A) if "**Actual/Actua**l" or "**Actual/Actual (ISDA)**" 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);

(B) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(C) 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 the last day of the Interest Period falls in a leap year, 366;

(D) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(E) if "**Actual/360 (Observation Period)**" is specified in the applicable Final Terms, the actual number of days in the Observation Period divided by 360;

(F) 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:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Interest Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as number, in which the day immediately following the last day included in the Interest Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" 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 D1 is greater than 29, in which case D2 will be 30; and

(G) 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:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Interest Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" 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_2 will be 30; and

(H) 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_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**D_1**" 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_1 will be 30; and

"**D_2**" 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, in which case D_2 will be 30.

(d) *Notification of Rate of Interest and Interest Amount*

The Bank will cause the Rate of Interest and each Interest Amount in respect of Floating Rate Notes, Fixed Rate Reset Notes or Range Accrual Notes for each Interest Period and the relevant Interest Payment Date to be notified by the Calculation Agent (in the case of Floating Rate Notes, Fixed Rate Reset Notes or Range Accrual Notes which are listed on the Official List of the Financial Conduct Authority (the "**Official List**") and admitted to trading on the London Stock Exchange plc (the "**London Stock Exchange**")) to the Financial Conduct Authority and the London Stock Exchange, and to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter (or in the case of Notes where the Reference Rate is specified as being SONIA two London Banking Days after such determination). Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. For the purposes of this subparagraph (v), the expression "London Business Day" means

a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

(e) *Linear Interpolation*

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

"**Designated Maturity**" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(f) *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, by the Agent or the Calculation Agent (if applicable), shall (in the absence of wilful default, bad faith or manifest error) be binding on the Bank, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Noteholders or the Couponholders shall attach to the Agent or Calculation Agent (if applicable) in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to such provisions.

(g) *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 or Reset Period then, in the event that the Rate of Interest in respect of any such Interest Period or Reset Period determined in accordance with the following provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period or Reset Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period or Reset Period then, in the event that the Rate of Interest in respect of any such Interest Period or Reset Period determined in accordance with the following provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period or Reset Period shall be such Maximum Rate of Interest.

(h) *Interest on Zero Coupon Notes*

Where a Zero Coupon Note becomes due and payable prior to the Maturity Date and is not paid when due, the amount due and repayable shall be the amount determined in accordance with Condition 5(g) as its Amortised Face Amount. As from the Maturity Date, any overdue principal of such Note shall bear interest at a rate per annum equal to the Accrual Yield specified in the applicable Final Terms.

(i) *Interest on Index Linked Interest Notes and Dual Currency Notes*

In the case of Index Linked Interest Notes or Dual Currency Notes, if the Rate of Interest is to be determined by reference to an index and/or a formula or, as the case may be, an exchange rate, the rate or amount of interest payable shall be determined by the Calculation Agent specified in the applicable Pricing Supplement.

(j) *Interest on 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 Pricing Supplement.

(k) *Accrual of Interest*

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

(l) *Interest Act (Canada) Disclosure*

For the purpose of disclosure pursuant to the Interest Act (Canada), where interest is required to be calculated on the basis of a 360-day year or any other period of time that is less than a calendar year, the yearly rate of interest which is equivalent to the Rate of Interest for any period of less than one calendar year may be determined by multiplying such Rate of Interest by a fraction, the numerator of which is the actual number of days in the 12-month period constituting such calendar year and the denominator of which is 360 or such other period of time that is less than a calendar year, as the case may be.

The Bank confirms that it fully understands and is able to calculate the effective annual rate of interest applicable to each Note based on the methodology for calculating per annum rates provided for in the paragraph above if applicable. The Bank hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to each Note, that the interest payable under each Note and the calculation thereof has not been adequately disclosed to the Bank pursuant to Section 4 of the Interest Act (Canada).

(m) *Calculation of the Range Accrual Factor*

This Condition 4(m) is applicable to Fixed Rate Notes or Floating Rate Notes to which Range Accrual is specified to be applicable in the applicable Final Terms ("**Range Accrual Notes**").

The "**Range Accrual Factor**" means in respect of an Interest Period, an amount calculated by the Calculation Agent in accordance with the following formula:

$$\frac{N1}{N2}$$

For the purposes of this Condition 4(m):

"**Calculation Day**" means, in respect of each Interest Period, each calendar day falling within such Interest Period.

"**Cap**" means, in respect of a Relevant Rate for any relevant Interest Period, the per annum rate specified in the applicable Final Terms.

"**CMS**" means the swap transaction in the Specified Currency with a maturity of the Specified Maturity.

"**Common Valid Date**" means each day that is a Business Day in each Relevant Financial Centre (or if the Relevant Financial Centre specifies "U.S. Government Securities Business Day", is each day that is a U.S. Government Securities Business Day).

"**First Reference Rate**" means the Range Accrual Reference Rate specified in the applicable Final Terms and determined in accordance with these Conditions.

"**Floor**" means, in respect of a Relevant Rate for any relevant Interest Period, the per annum rate specified in the applicable Final Terms.

"**N1**" means, in respect of any relevant Interest Period, the number of Calculation Days during such Interest Period for which, in respect of a Single Range Accrual Note, the Relevant Rate, and, in respect of a Dual Range Accrual Note, each applicable Relevant Rate is (a) if specified in the applicable Final Terms that "greater than or equal to" shall apply, greater than or equal to the applicable Floor for that Interest Period (as determined by the Calculation Agent); or (b) if specified in the applicable Final Terms that "greater than" shall apply, greater than the applicable Floor (as determined by the Calculation Agent); and (x) if specified in the applicable Final Terms that "less than or equal to" shall apply, less than or equal to the applicable Cap for that Interest Period (as determined by the Calculation Agent); or (y) if specified in the applicable Final Terms that "less than" shall apply, less than the applicable Cap (as determined by the Calculation Agent);

"**N2**" means, in respect of each Interest Period, the number of Calculation Days during such Interest Period, as determined by the Calculation Agent.

"**Range Accrual Reference Rate**" means (i) EURIBOR, (ii) CNH HIBOR, (iii) HIBOR, (iv) SONIA, (v) CMS, (vi) €STR, (vii) SOFR, (viii) NIBOR, (ix) SARON, (x) TONA or (xi) SORA as specified in the applicable Final Terms.

"**Rate**" means, in respect of a Range Accrual Reference Rate specified in the applicable Final Terms, either:

(1) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations (if there are two or more quotations on the Relevant Screen Page),

(in each case expressed as a percentage rate per annum) for the Range Accrual Reference Rate for the Specified Maturity and Specified Currency which appears or appear, as the case may be, on the Relevant Screen Page on which such Range Accrual Reference Rate is for the time being displayed at the Relevant Time in the Relevant Financial Centre on

such Calculation Day. If such rate does not appear on the Relevant Screen Page at the Relevant Time in the Relevant Financial Centre on such Calculation Day, the Calculation Agent will in its sole and absolute discretion, determine such rate (or a method for determining such rate) for such Calculation Day, taking into consideration all available information and acting in good faith and in a commercially reasonable manner;

provided that: (i) in respect of a Single Range Accrual Note (as specified in the applicable Final Terms), (A) subject to proviso (B) below, if any Calculation Day is not a Business Day in the Relevant Financial Centre (or if the Relevant Financial Centre specifies "U.S. Government Securities Business Day", is not a U.S. Government Securities Business Day), the rate for such Calculation Day shall be determined in respect of the immediately preceding Business Day in the Relevant Financial Centre (or U.S. Government Securities Business Day, if applicable); and (B) in respect of each Interest Period, the Relevant Rate in respect of each Calculation Day from, and including, the fifth Business Day in the Relevant Financial Centre or such other Business Day (such date being the "**Rate Cut-off Date**" for such Interest Period) prior to the Interest Payment Date falling immediately after the end of such Interest Period to, and including, the last Calculation Day of such Interest Period, shall be deemed to be the rate in respect of the Rate Cut-off Date; and (ii) in respect of a Single Range Accrual (as specified in the applicable Final Terms) where CMS Spread is specified to be applicable in the applicable Final Terms and in respect of a Dual Range Accrual Note (as specified in the applicable Final Terms), (A) subject to proviso (B) below, if any Calculation Day is not a Common Valid Date, the rate in respect of a Reference Rate for such Calculation Day shall be determined in respect of the immediately preceding Business Day in the Relevant Financial Centre for such Reference Rate; and (B) in respect of each Interest Period, the Relevant Rate in respect of each Calculation Day from, and including, the seventh Common Valid Date or such other Common Valid Date specified in the applicable Final Terms (such date being the "**Rate Cut-off Date**" for such Interest Period) prior to the Interest Payment Date falling immediately after the end of such Interest Period to, and including, the last Calculation Day of such Interest Period, shall be deemed to be the rate for such Reference Rate in respect of the Rate Cut-off Date.

"**Relevant Rate**" means either:

(a) where Single Range Accrual Note is specified to be applicable in the applicable Final Terms either:

(i) the Rate as determined in accordance with these Conditions; or

(ii) where CMS Spread is specified to be applicable in the applicable Final Terms, the Rate in respect of the First Reference Rate minus the Rate in respect of the Second Reference Rate, as determined in accordance with these Conditions; or

(b) where Dual Range Accrual Note is specified to be applicable in the applicable Final Terms, each Rate determined in accordance with these Conditions provided that where CMS Spread is specified to be applicable in the applicable Final Terms, the Relevant Rate will be calculated as the Rate in respect of the First Reference Rate minus the Rate in respect of the Second Reference Rate, as determined in accordance with these Conditions.

"**Second Reference Rate**" means the Range Accrual Reference Rate specified in the applicable Final Terms and determined in accordance with the Conditions.

"**Specified Currency**" means the currency in which the Notes are denominated unless otherwise specified in the applicable Final Terms in relation to Range Accrual items thereof.

(n) *Benchmark Discontinuation*

Unless Benchmark Discontinuation is specified as being not applicable in the applicable Final Terms or (x) the Original Reference Rate specified in the applicable Final Terms is SOFR and Condition 4(o) is specified as applicable or (y) the Original Reference Rate specified in the applicable Final Terms is SARON and Condition 4(p) is specified as applicable, this Condition 4(n) shall apply to the Notes. If the Original Reference Rate is €STR or SARON, this Condition shall only apply if Condition 4(b)(ii)(E) or Condition 4(b)(ii)(G), respectively, does not determine the Rate of Interest.

(i) *Independent Adviser*

If a Benchmark Event occurs in relation to an Original Reference Rate prior to the relevant Interest Determination Date when any Rate of Interest (or any component part(s) thereof) remains to be determined by reference to such Original Reference Rate, then the Bank shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Bank determining a Successor Rate, or if there is no Successor Rate, an Alternative Rate (in accordance with Condition 4(n)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 4(n)(iii)) and any Benchmark Amendments (in accordance with Condition 4(n)(iv)) by the relevant Interest Determination Date.

An Independent Adviser appointed pursuant to this Condition 4(n) shall act in good faith and a commercially reasonable manner as an expert and (in the absence of bad faith, gross negligence or fraud) shall have no liability whatsoever to the Bank, the Agent, the Paying Agents, the Calculation Agent, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Bank in connection with any determination made by the Bank, pursuant to this Condition 4(n).

If the Bank is unable to appoint an Independent Adviser or unable to make the determination set out in Condition 4(n) (i), (ii), (iii) and (iv) in consultation with an Independent Adviser, the Bank, acting in good faith and in a commercially reasonable manner, may make such determinations itself in accordance with the foregoing provisions and taking into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets, and subject always to any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Final Terms.

(ii) *Successor Rate or Alternative Rate*

If the Bank, following consultation with the Independent Adviser (if any) and acting in good faith and a commercially reasonable manner, determines that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4(n)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(n)); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4(n)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(n)).

(iii) *Adjustment Spread*

The Bank, following consultation with the Independent Adviser (if any) and acting in good faith and a commercially reasonable manner, shall determine an Adjustment Spread (which may be positive or negative or zero) to be applied to the Successor Rate or the Alternative Rate (as the case may be) and such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(n) and the Bank, following consultation with the Independent Adviser (if any) and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Bank shall, subject to giving notice thereof in accordance with Condition 4(n)(v), vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

No consent of Noteholders shall be required in connection with effecting the relevant Successor Rate or Alternative Rate (as may be applicable), the Adjustment Spread and/or any Benchmark Amendments, or varying these Conditions and/or the Agency Agreement to give effect to such changes pursuant to this Condition 4(n), including the execution of any documents thereto or the taking of any steps by the Bank or any parties to any relevant documents (if required).

In connection with any such variation in accordance with this Condition 4(n)(iv), the Bank shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) *Notices, etc.*

The occurrence of a Benchmark Event, any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(n) will be notified promptly by the Bank to the Agent and the Calculation Agent and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Successor Rate or Alternative Rate (as may be applicable), the Adjustment Spread, and/or the Benchmark Amendments, if any.

No later than one Business Day following the date of notifying the Agent of the same, the Bank shall deliver to the Agent a certificate signed by two authorised signatories of the Bank:

(A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) the Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(n); and

(B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and (in either case) the applicable Adjustment Spread.

The Agent shall display such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any)) be binding on the Bank, the Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Bank under Condition 4(n) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Conditions 4(b), 4(c)(ii)(A), 4(c)(ii)(B) or 4(c)(ii)(C) will continue to apply unless and until a Benchmark Event has occurred and the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and the Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(n)(v).

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, no Successor Rate or Alternative Rate (as the case may be) is determined pursuant to this Condition 4(n), the Original Reference Rate and the fallback provisions provided for in Condition 4(b) and Condition 4(c)(ii) will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date.

For the avoidance of doubt, the foregoing paragraph shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date or Reset Determination Date, as the case may be only, and the Rate of Interest applicable to any subsequent Interest Periods(s) or Reset Periods, as the case may be is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(n).

(viii) *Definitions*:

As used in this Condition 4(n):

"**Adjustment Spread**" means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in either case, to be applied to the

Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(B) if no such formal recommendation has been made or made available in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body and, in all cases of an Alternative Rate, the Bank determines, following consultation with the Independent Adviser (if any) and acting in good faith and a commercially reasonable manner, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate of the Original Reference Rate; or

(C) if the Bank determines, following consultation with the Independent Adviser (if any) and acting in good faith and a commercially reasonable manner, that no such spread is customarily applied in international debt capital markets under (B) above, the Bank determines, following consultation with the Independent Adviser (if any) and acting in good faith and a commercially reasonable manner, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(D) if the Bank determines that no industry standard is recognised or acknowledged as aforesaid and, consequently, no such spread, formula or methodology can be determined in accordance with (A) to (C) above, the Bank, in its discretion, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this subclause (D) only, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders.

"**Alternative Rate**" means an alternative to the benchmark or screen rate which the Bank determines in accordance with Condition 4(n)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part(s) thereof) for the same interest period and in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 4(n)(iv).

"**Benchmark Event**" means:

(A) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or

(B) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(D) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that it will be prohibited from being used either generally or in respect of the Notes; or

(E) the making of a public statement by the supervisor or the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will be deemed to be no longer representative of its relevant underlying market; or

(F) it has become unlawful for any Paying Agent, the Calculation Agent or the Bank to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under Regulation (EU) 2016/1011 or, in relation to the UK, Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (as amended from time to time), if applicable),

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

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Bank at its own expense under Condition 4(n)(i).

"**Original Reference Rate**" means either (i) the benchmark and screen rate (as applicable) originally specified for the purposes of determining the Rate of Interest (or any component part(s) thereof, including without limitation, any component mid-swap floating rate leg) on the Notes or (ii) any Successor Rate or Alternative Rate which replaces the Original Reference Rate pursuant to the operation of this Condition 4(n).

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

(A) the European Commission, the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

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

banks or other supervisory authorities or (z) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original Reference Rate.

(o) *Benchmark Transition Event – SOFR*

If the Original Reference Rate is specified in the applicable Final Terms as being SOFR, when any required Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions of this Condition 4(o) will apply.

(i) Benchmark Replacement

Notwithstanding any other provision to the contrary in the Conditions, if the Bank or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date with respect to the Original Reference Rate have occurred prior to the Reference Time in respect of any determination of the Original Reference Rate on any date, the Benchmark Replacement will replace such Original Reference Rate for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates

In no event shall the Calculation Agent be responsible for determining whether a Benchmark Transition Event has occurred or monitoring whether or not such event has or is likely to occur, any substitute for SOFR, or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Calculation Agent will be entitled to conclusively rely on any determinations made by the Bank or its designee and will have no liability for such actions taken at the direction of the Bank or its designee.

(ii) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Bank or its designee (after consulting with the Bank) will have the right to make Benchmark Replacement Conforming Changes from time to time.

(iii) Decisions and Determinations

Any determination, decision or election that may be made by the Bank or its designee pursuant to this Condition 4(o), including without limitation any determination with respect to tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(a) will be conclusive and binding absent manifest error;

(b) if made by the Bank, will be made in the Bank's sole and absolute discretion;

(c) if made by the Bank's designee, will be made after consultation with the Bank, and the designee will not make any such determination, decision or election to which the Bank objects; and

(d) notwithstanding anything to the contrary in the Conditions, shall become effective without consent from the Holders or any other party.

The Calculation Agent will have no liability for any determination made by or on behalf of the Bank or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement.

(iv) Definitions

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Bank or its designee as the Benchmark Replacement Date:

(a) the sum of (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the Original Reference Rate where applicable for the applicable Corresponding Tenor and (ii) where applicable the Benchmark Replacement Adjustment (if any); or

(b) the sum of: (i) the ISDA Fallback Rate and (ii) the Benchmark Replacement Adjustment; or

(c) the sum of: (i) the alternate rate of interest that has been selected by the Bank or its designee as the replacement for the Original Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the Original Reference Rate for U.S. dollar denominated floating rate notes at such time and (ii) the Benchmark Replacement Adjustment.

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Bank or its designee as of the Benchmark Replacement Date:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(b) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(c) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Bank or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Unadjusted Benchmark Replacement for floating rate notes denominated in U.S dollars at such time.

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including without limitation changes to the definition of "Interest Period", determination dates, timing and frequency of determining rates and making payments of interest, rounding of amounts, or tenors, and other administrative matters) that the Bank or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Bank or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Bank or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Bank or its designee determines is reasonably necessary).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the Original Reference Rate (including, in the case of Compounded SOFR, the daily published component used in the calculation thereof):

(a) in the case of paragraph (i) or (ii) of the definition of "**Benchmark Transition Event**", the later of (x) the date of the public statement or publication of information referenced therein and (y) the date on which the administrator of the Original Reference Rate permanently or indefinitely ceases to provide the Original Reference Rate (or such component); or

(b) in the case of paragraph (iii) of the definition of "**Benchmark Transition Event**", the effective date as of which the Original Reference Rate (such component) will no longer be representative, which may be the date of the public statement or publication of information referenced in the definition of Benchmark Transition Event or another date.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

For the avoidance of doubt, for purposes of the definitions of Benchmark Replacement Date and Benchmark Transition Event, references to Original Reference Rate also include any reference rate underlying such Original Reference Rate.

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the Original Reference Rate (including, in the case of Compounded SOFR, the daily published component used in the calculation thereof):

(a) a public statement or publication of information by or on behalf of the administrator of the Original Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the Original Reference Rate (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate (or such component);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate (or such component) the central bank for the currency of the Original Reference Rate (or such component), an insolvency

official with jurisdiction over the administrator for the Original Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the Original Reference Rate (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Original Reference Rate (or such component), which states that the administrator of the Original Reference Rate (or such component)has ceased or will cease to provide the Original Reference Rate (or such component)permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate (or such component); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate (or such component) is no longer, or as of a specified future date will no longer be, representative.

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the Original Reference.

"**designee**" means an affiliate or other agent of the Bank designated by the Bank. For the avoidance of doubt, in no event shall the Calculation Agent or the Issuing and Paying Agent be the Bank's designee.

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**NY Federal Reserve**" means the Federal Reserve Bank of New York.

"**Original Reference Rate**" means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes (provided that if following one or more Benchmark Transition Events and their related Benchmark Replacement Dates, such originally specified Original Reference Rate (or any Benchmark Replacement which has replaced it) has been replaced by a (or a further) Benchmark Replacement and a Benchmark Transition Event subsequently occurs in respect of such Benchmark Replacement, the term "Original Reference Rate" shall be deemed to include any such Benchmark Replacement.

"**Reference Time**" with respect to any determination of the Original Reference Rate (or such component) means:

(a) where the Original Reference Rate (or such component) is Compounded SOFR, the SOFR Determination Time or the SOFR Index Determination Time, as applicable; or

(b) otherwise, the time determined by the Bank or its designee after giving effect to the Benchmark Replacement Conforming Changes.

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the NY Federal Reserve (including any board thereof), or in either case any committee officially endorsed and/or convened thereby or any successor thereto.

"**Relevant ISDA Definitions**" means either the 2006 ISDA Definitions or the 2021 ISDA Definitions.

"**2006 ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of the Notes, as published by ISDA on its website (www.isda.org).

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(v) Notices, etc.

The occurrence of a Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 4(o) will be notified promptly by the Bank to the Agent and the Calculation Agent and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date(s) on which such changes take effect.

No later than one Business Day following the date of notifying the Agent of the same, the Bank shall deliver to the Agent a certificate signed by two authorised signatories of the Bank:

(a) confirming (i) that a Benchmark Transition Event has occurred, (ii) the relevant Benchmark Replacement and, (iii) where applicable, any Benchmark Replacement Adjustment and/or specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 4(o); and

(b) certifying that the Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

The Agent shall make available such certificate at its offices for inspection by the Noteholders, upon reasonable request, at all reasonable times during normal business hours.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Bank under this Condition 4(o), the Original Reference Rate and the fallback provisions provided for in Condition 4(c)(ii)(F) will continue to apply unless and until the Calculation Agent has been notified of the Benchmark Replacement, and any Benchmark Replacement Adjustment (if applicable) and Benchmark Replacement Conforming Amendments (if any), in accordance with sub-paragraph (ii). For the avoidance of doubt, this subparagraph (vi) shall apply to the determination of the Interest Rate on the relevant Interest Determination Date or Reset Determination Date (as applicable) only, and the Rate of Interest applicable to any subsequent Interest Period(s)

or Reset Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 4(o).

(p) *Benchmark Replacement Provisions – SARON Compounded*

If the Original Reference Rate is specified in the applicable Final Terms as being SARON, when any required Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions of this Condition 4(p) will apply.

(i) Replacement Rate

If SARON does not so appear on the SARON Administrator Website or is not so published by the Relevant Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have both occurred on or prior to such Zurich Banking Day. For the purposes of Condition 4(c)(ii)(G), "**SARON**" shall mean, in respect of any such Zurich Banking Day:

(a) the rate resulting from calculating SARON for such Zurich Banking Day in accordance with the foregoing provisions as if the reference to Swiss Average Rate Overnight in such definition were a reference to the Recommended Replacement Rate, giving effect to the Recommended Adjustment Spread, if any; or

(b) if there is no Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the policy rate of the Swiss National Bank (the "**SNB Policy Rate**") for such Zurich Banking Day, giving effect to the SNB Adjustment Spread, if any.

Any substitution of the SARON rate by the Recommended Replacement Rate or the SNB Policy Rate as specified above will remain effective for the remaining term to maturity of such Notes.

(ii) SARON Benchmark Amendments

If the Bank (i) is required to use a Recommended Replacement Rate or the SNB Policy Rate pursuant to the definition of "SARON" for purposes of determining SARON for any Zurich Banking Day, and (ii) determines that any changes to the definitions of Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Interest Period, Observation Period, Relevant Time, SARON, SARON Administrator, SARON Administrator Website or Zurich Business Day or any other amendments to the Conditions and/or the Agency Agreement (collectively, the "**SARON Benchmark Amendments**") are necessary in order to use such Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may be, for such purposes, then the Bank shall, subject to giving notice thereof as specified below, vary these Conditions and/or the Agency Agreement to give effect to such SARON Benchmark Amendments with effect from the date specified in such notice.

No consent or approval of Noteholders shall be required in connection with effecting the Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, and/or any SARON Benchmark Amendments, or varying these Conditions and/or the Agency Agreement to give effect to such changes pursuant to these provisions, including the execution of any documents or the taking of any steps by the Bank or any parties to any relevant documents (if required).

In connection with any such variation in accordance with these provisions, the Bank shall comply with the rules of any stock exchange on which the relevant Notes are for the time being listed or admitted to trading.

(iii) Notices, etc.

The occurrence of a SARON Index Cessation Event and SARON Index Cessation Effective Date any Replacement Rate, Recommended Adjustment Spread or SNB Adjustment Spread, and the specific terms of any SARON Benchmark Amendments, determined under this Condition 4(p) will be notified promptly by the Bank to the Agent and the Calculation Agent and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date(s) for such and for the Replacement Rate, Recommended Adjustment Spread or SNB Adjustment Spread, Benchmark Amendments, if any.

No later than one Business Day following the date of notifying the Agent of the same, the Bank shall deliver to the Agent a certificate signed by two authorised signatories of the Bank:

(a) confirming (i) that a SARON Index Cessation Event and SARON Index Cessation Effective Date have occurred, (ii) Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, and/or the specific terms of any SARON Benchmark Amendments, in each case as determined in accordance with this Condition 4(p); and

(b) certifying that SARON Benchmark Amendments are necessary to ensure the proper operation of such Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may be.

The Agent shall make available such certificate at its offices for inspection by the Noteholders, upon reasonable request, at all reasonable times during normal business hours. The Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, and the SARON Benchmark Amendments (if any)) be binding on the Bank, the Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms), the Paying Agents and the Noteholders.

(iv) Survival of Original Reference Rate

Without prejudice to the obligations of the Bank under this Condition 4(p), the Original Reference Rate and the fallback provision in Condition 4(c)(ii)(G) will continue to apply unless and until the Calculation Agent has been notified of the Replacement Rate and any Recommended Adjustment Spread or SNB Adjustment Spread (if applicable) and the SARON benchmark Amendments, in accordance with sub-paragraph (iii).

(v) Fallbacks

If, following the occurrence of a SARON Index Cessation Event and a SARON Index Cessation Event Effective Date and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date or Reset Determination Date, as the case may be, no Replacement Rate is determined pursuant to this sub-paragraph, the Original Reference Rate and the fallback provisions provided for in Condition 4((c)(ii)(G) will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date or Reset Determination Date, as the case may be.

For the avoidance of doubt, the foregoing paragraph shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date or Reset Determination Date, as the case may be only, and the Rate of Interest applicable to any subsequent Interest Periods(s) or Reset Periods, as the case may be is subject to the subsequent operation of, and to adjustment as provided in, this sub-paragraph (v).

(vi) Definitions

As used herein:

"**Recommended Replacement Rate**" means the rate that has been recommended as the replacement for SARON by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for purposes of, among other things, considering proposals to reform reference interest rates in Switzerland (any such working group or committee, the "**Recommending Body**");

"**Recommended Adjustment Spread**" means, with respect to any Recommended Replacement Rate, the spread (which may be positive or negative or zero), or formula or methodology for calculating such a spread,

(a) that the Recommending Body has recommended be applied to such Recommended Replacement Rate in the case of fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for the purposes of determining the applicable rate of interest thereon; or

(b) if the Recommending Body has not recommended such a spread, formula or methodology as described in (a) above, to be applied to such Recommended Replacement Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Holders as a result of the replacement of the Swiss Average Rate Overnight with such Recommended Replacement Rate for purposes of determining SARON, which spread will be determined by the Calculation Agent, acting in good faith and a commercially reasonable manner, and be consistent with industry-accepted practices for fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon;

"**Relevant Time**" has the meaning specified in Condition 4(c)(ii)(G);

"**SARON**" has the meaning specified in Condition 4(c)(ii)(G);

"**SARON Administrator Website**" has the meaning specified in Condition 4(c)(ii)(G);

"**SARON Index Cessation Effective Date**" means, in respect of a SARON Index Cessation Event, the earliest of:

(a) (in the case of a SARON Index Cessation Event described in clause (a) of the definition thereof) the date on which the SARON Administrator of the Swiss Average Rate Overnight ceases to provide SARON;

(b) (in the case of a SARON Index Cessation Event described in clause (b)(x) of the definition thereof) the latest of:

(i) the date of such statement or publication;

(ii) the date, if any, specified in such statement or publication as the date on which SARON will no longer be representative; and

(iii) if a SARON Index Cessation Event described in clause (b)(y) of the definition of SARON Index Cessation Event has occurred on or prior to either or both dates specified in sub-clauses (i) and (ii) of this clause (b), the date as of which SARON may no longer be used; and

(c) (in the case of a SARON Index Cessation Event described in clause (b)(y) of the definition thereof) the date as of which SARON may no longer be used.

"**SARON Index Cessation Event**" means the occurrence of one or more of the following events:

(a) a public statement or publication of information by or on behalf of the SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased or will cease to provide the Swiss Average Rate Overnight permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Swiss Average Rate Overnight; or

(b) a public statement or publication of information by the SARON Administrator or any competent authority announcing that (x) the Swiss Average Rate Overnight is no longer representative or will as of a certain date no longer be representative, or (y) the Swiss Average Rate Overnight may no longer be used after a certain date, which statement, in the case of sub-clause (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives.

"**SNB Adjustment Spread**" means, with respect to the SNB Policy Rate, the spread to be applied to the SNB Policy Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Holders as a result of the replacement of SARON with the SNB Policy Rate for purposes of determining SARON, which spread will be determined by the Calculation Agent, acting in good faith and a commercially reasonable manner, taking into account the historical median between the SARON and the SNB Policy Rate during the two year period ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event has occurred, the date on which the first of such events occurred).

"**Zurich Banking Day**" has the meaning specified in Condition 4(c)(ii)(G).

5 Redemption and Purchase

(a) *At Maturity*

Unless previously repaid, each Note will be repaid by the Bank at its Final Redemption Amount (which shall be par, save in the case of Zero Coupon Notes in respect of which the Final Redemption Amount shall be the amount per Calculation Amount specified in the applicable Final Terms, which amount is at least equal to 100 per cent. of such Calculation Amount) in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

(b) *Early Redemption for Tax Reasons*

If, (i) as a result of any change in the federal laws of Canada or any province, territory or political division thereof or any authority or agency therein or thereof having power to tax or, in the case of Senior Notes whose Branch of Account (as defined below) is located outside Canada, of the country in which such branch is located or any political division thereof or any authority or agency therein or thereof having power to tax, or any change in the interpretation or administration of any such laws, which change becomes effective on or after the latest Issue Date of the Notes of this Series, the Bank would, on the occasion of the next payment due in respect of the Notes of this Series, be required to pay additional amounts as provided in Condition 9, (ii) such obligation cannot be avoided by the Bank taking reasonable measures available to it (which, for greater certainty, does not include substitution of the obligor under the Notes) and (iii) such circumstances are evidenced by the delivery to the Agent of a certificate signed by two senior officers of the Bank stating that said circumstances prevail and describing the facts leading thereto and an opinion of independent legal advisers of recognised standing to the effect that said circumstances prevail, the Bank may at its option, having given not more than the maximum period nor less than the minimum period of notice specified in the applicable Final Terms to the Agent and, in accordance with Condition 13, to the holders of the Notes of this Series, at any time or, if the Notes of this Series bear interest at a floating rate, on any Interest Payment Date redeem all, but not some only, of the Notes of this Series each at its Early Redemption Amount referred to in paragraph (e) below, together, if appropriate, with interest accrued to, but excluding, the date of redemption; provided further that in respect of Bail-inable Notes, where the redemption would lead to a breach of the Bank's minimum TLAC requirements such redemption will be subject to the prior approval of the Superintendent. Upon the expiry of the aforementioned notice, the Bank shall be bound to redeem the Notes of this Series accordingly.

(c) *Redemption due to TLAC Disqualification Event:*

This Condition 5(c) applies to Bail-inable Notes only.

Where a TLAC Disqualification Event Call is specified as being applicable in the relevant Final Terms relating to a Series of Bail-inable Notes, the Bank may, at its option, on not less than the minimum period of notice and not more than the maximum period of notice specified in the applicable Final Terms and in accordance with Condition 13, on expiry of such notice (which must fall within 90 days following such TLAC Disqualification Event (as defined below)) redeem all, but not some only, of the Series of Bail-inable Notes prior to their stated maturity date on, or within 90 days after, a TLAC Disqualification Event (as defined below) at the Early Redemption Amount, plus any accrued but unpaid interest to (but excluding) the date fixed for redemption. Such redemption will be subject to the prior approval of the Superintendent.

A "**TLAC Disqualification Event**" means the Office of the Superintendent of Financial Institutions has advised the Bank in writing that the Series of Bail-inable Notes will no longer be recognised in full as TLAC under the guideline for TLAC for banks in Canada in effect from time to time, as interpreted by the Superintendent, provided that a TLAC Disqualification Event shall not occur where the exclusion of the Series of Bail-inable Notes from the Bank's TLAC requirements is due to the remaining term to maturity of such Series of Bail-inable Notes being less than any period prescribed by any relevant TLAC eligibility criteria applicable as of the Issue Date of the first Tranche of such Series of Bail-inable Notes.

(d) *Early Redemption for Illegality*

If so specified as being applicable in the applicable Final Terms, in the event that the Bank determines in good faith that the performance of the Bank's obligations under the Notes or any arrangement made to hedge the Bank's obligations under the Notes have or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Bank having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to Noteholders in accordance with Condition 13 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption. In respect of Bail-inable Notes, where the redemption would lead to a breach of the Bank's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.

(e) *Early Redemption for a Disruption Event*

Where Early Redemption for a Disruption Event is specified as being applicable in the applicable Final Terms*,* in the event of a Disruption Event*,* the Bank having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to Noteholders in accordance with Condition 13 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption. In respect of Bail-inable Notes, where the redemption would lead to a breach of the Bank's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.

As used in this Condition 5(e):

"**Disruption Event**" means a Hedging Disruption or an Increased Cost of Hedging.

"**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any of the underlying reference rates, or other price risk of the Bank issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means (a) the Bank or (b) any affiliate or any entity (or entities) acting on behalf of the Bank that is engaged in any underlying or hedging transactions related to the underlying reference rates in respect of the Bank's obligations under the Notes.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the relevant securities or other risk of the Bank issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Bank and/or the Hedging Entity shall not be deemed an Increased Cost of Hedging.

"**Trade Date**" has the meaning given to it in the applicable Final Terms.

(f) *Early Redemption for Administrator/Benchmark Event*

Where Early Redemption for an Administrator/Benchmark Event is specified as being applicable in the applicable Final Terms, in the event of an Administrator/Benchmark Event, the Bank may (at its option and sole and absolute discretion):

(i) instruct the Calculation Agent to make such adjustment(s) to the terms of the Notes as it may determine appropriate in its sole and absolute discretion to account for the relevant event or circumstance and, without limitation, such adjustment(s) may include selecting a successor benchmark(s) and making related adjustment(s) to the terms of the Notes including where applicable to reflect any increased costs of the Bank and/or any Hedging Entity providing exposure to the successor benchmark(s) and, in the case of more than one successor benchmark, making provision for allocation of exposure as between the successor benchmarks; or

(ii) having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to Noteholders in accordance with Condition 13 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount and no further interest (if applicable) will be payable since the immediately preceding Interest Payment Date or, if none, the Issue Date. In respect of Bail-inable Notes, where the redemption would lead to a breach of the Bank's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.

For the avoidance of doubt, the above is additional, and without prejudice, to any other terms of the Notes. In the event that under any such terms any other consequences could apply in relation to an event or occurrence the subject of an Administrator/Benchmark Event, the Bank shall determine which terms shall apply in its sole and absolute discretion.

The Bank shall give notice as soon as practicable to holders in accordance with Condition 13 of any adjustment(s) made pursuant to paragraph (i) above, provided that any failure to give, or non-receipt of, such notice shall not affect the validity of such adjustment(s).

For the purposes of this Condition:

"**Administrator/Benchmark Event**" means, in relation to any Benchmark, the occurrence of a Benchmark Modification or Cessation Event, a Non-Approval Event, a Rejection Event, a Suspension/Withdrawal Event or a Non-Representative Event, all as determined by the Calculation Agent.

"**Benchmark**" means any figure, level, rate or value by reference to which any amount payable or deliverable under the Notes, or the value of the Notes, is determined in whole or in part, including, without limitation, any benchmark as defined in the BMR, all as determined by the Calculation Agent.

"**Benchmark Modification or Cessation Event**" means, in respect of the Benchmark, any of the following has occurred or will occur:

(i) any material change in such Benchmark;

(ii) the permanent or indefinite cancellation or cessation in the provision of such Benchmark; or

(iii) a regulator or other official sector entity prohibits the use of such Benchmark.

"**BMR**" means the EU Benchmark Regulation (Regulation (EU) 2016/1011) or any United Kingdom "on-shored" version thereof where applicable, in each case as amended from time to time.

"**Hedging Entity**" means (a) the Bank or (b) any affiliate or any entity (or entities) acting on behalf of the Bank that is engaged in any underlying or hedging transactions related to the underlying reference rates in respect of the Bank's obligations under the Notes.

"**Non-Approval Event**" means, in respect of the Benchmark

(i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be obtained;

(ii) the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be included in an official register; or

(iii) the Benchmark or the administrator or sponsor of the Benchmark does not or will not fulfil any legal or regulatory requirement applicable to the Notes, the Bank, the Calculation Agent or the Benchmark,

in each case, as is or will be required under any applicable law or regulation in order for any of the Bank, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

"**Non-Representative Event**" means, in respect of the Benchmark, an official announcement by the supervisor of the administrator and/or sponsor of the Benchmark that the Benchmark is no longer or, as of a specified future date will no longer be, representative of any relevant underlying market(s).

"**Rejection Event**" means, in respect of the Benchmark, the relevant competent authority or other relevant official body rejects or refuses or will reject or refuse any application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register which, in each case, is or will be required in relation to the Notes, the Benchmark or the administrator or sponsor of the Benchmark under any applicable law or regulation for any of the Bank, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

"**Suspension/Withdrawal Event**" means, in respect of the Benchmark:

(i) the relevant competent authority or other relevant official body suspends or withdraws or will suspend or withdraw any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Benchmark or the administrator or sponsor of the Benchmark which is or will be required under any applicable law or regulation in order for any of the Bank, the Calculation Agent or any other entity to perform its obligations in respect of the Notes; or

(ii) the Benchmark or the administrator or sponsor of the Benchmark is or will be removed from any official register where inclusion in such register is or will be required under any applicable law in order for any of the Bank, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

(g) *Early Redemption at the Option of the Bank (Bank Call Option)*

*This Condition 5(g) applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Bank (other than for taxation reasons), such option being referred to as a "**Bank Call**". The applicable Final Terms contains provisions applicable to any Bank Call and must be read in conjunction with this Condition 5(g) for full information on any Bank Call. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, whether Notes are redeemable in part and any minimum or maximum amount of Notes which can be redeemed.*

If, and to the extent a Bank Call Option is specified in the applicable Final Terms as being applicable, the Bank may, having given not more than the maximum period of notice nor less than the minimum period of notice specified in the applicable Final Terms to the Agent and, in accordance with Condition 13, the holders of the Notes of this Series (which notice shall be irrevocable), redeem all or, if specified in the applicable Final Terms, some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) indicated in the applicable Final Terms together, if appropriate, with interest accrued to but excluding such Optional Redemption Date(s), provided that in respect of Bail-inable Notes where the redemption would lead to a breach of the Bank's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent. In the event of a partial redemption of such Notes, such redemption must be for an amount not less than the Minimum Redemption Amount nor greater than the Maximum Redemption Amount, as indicated in the applicable Final Terms and in the case of a partial redemption of Definitive Notes, the Notes to be redeemed will be selected individually by lot not more than 60 days prior to the date fixed for redemption and a list of the Notes called for redemption will be published in accordance with Condition 13 not less than 15 days prior to such date. In the case of a partial redemption of Global Notes, the relevant Notes will be redeemed in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, such partial redemption 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.

(h) *Early Redemption at the Option of the Noteholders (Noteholder Put Option)*

This Condition 5(h) is not applicable to Bail-inable Notes.

This Condition 5(h) applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Noteholder, such option being referred to as a "Noteholder Put". The applicable Final Terms contains provisions applicable to any Noteholder Put and must be read in conjunction with this Condition 5(h) for full information on any Noteholder Put. In particular, the applicable Final Terms will identify the Optional Redemption Date(s) and the Optional Redemption Amount.

If, and to the extent a Noteholder Put Option is specified in the applicable Final Terms as being applicable, upon the holder of any Note giving to the Bank in accordance with Condition 13 not more than the maximum period nor less than the minimum period of notice specified in the applicable Final Terms (which notice shall be irrevocable) the Bank will, 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 the Optional Redemption Date and at the Optional Redemption Amount indicated in the applicable Final Terms together, if appropriate, with interest accrued to but excluding such Optional Redemption Date.

In order to exercise such option, the Noteholder must, on any Business Day falling within the notice period, in the case of a Definitive Note held within Euroclear or Clearstream, Luxembourg, deposit the relevant Note (together, in the case of a Definitive Note that is not a Zero Coupon

Note, with all unmatured Coupons appertaining thereto other than any Coupon maturing on or before the Optional Redemption Date (failing which the provisions of Condition 6(c) shall apply) during normal business hours at the specified office of any Paying Agent together with a duly completed early redemption notice ("**Put Notice**") in the form which is available from the specified office of any Paying Agent.

In the case of a Global Note or Definitive Note held through Euroclear or Clearstream, Luxembourg, to exercise the right to require the redemption of the Note, the Noteholder of the Note must, within the notice period, give notice to the Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on such Noteholder's instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time. Notwithstanding the foregoing, Notes represented by a Global Note shall be deemed to be deposited with a Paying Agent for purposes of this Condition 5(h) at the time a Put Notice has been received by the Paying Agent in respect of such Notes. No Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement).

The Noteholder of a Note may not exercise such Put Option in respect of any Note which is the subject of an exercise by the Bank of its option to redeem such Note under either Condition 5(b), (c), (d), (e), (f) or (g).

(i) *Early Redemption Amounts and Optional Redemption Amounts*

For the purposes of paragraph (b) above and Condition 10, Notes will be redeemed at an amount (the "***Early Redemption Amount***") 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 as otherwise specified in the applicable Final Terms; or

(ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be 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 set out in the applicable Final Terms, at their nominal amount; or

(iii) in the case of Zero Coupon Notes, at an amount (the "**Amortised Face Amount**") equal to (unless otherwise specified in the applicable Final Terms):

(A) the sum of (x) the Reference Price specified in the applicable Final Terms and (y) (a) if Compounding Accrual is specified in the applicable Final Terms, the product of the Accrual Yield specified in the applicable Final Terms (compounded annually or semi-annually or as otherwise specified in the applicable Final Terms) being applied to the Reference Price or (b) if Linear Accrual is specified in the applicable Final Terms, the product of the Accrual Yield (without any compounding) being applied to the Reference Price

where:

"**Accrual Yield**" means the rate specified as such in the applicable Final Terms; and

"**Reference Price**" means the amount specified as such in the applicable Final Terms, which is the product of the Issue Price and the Calculation Amount,

from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where any such calculation is to be made for a period of less than a full year, it shall be made on the basis of the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30 / 360 (in which case the numerator will be 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 will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days 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 will be 360) or (iii) Actual/365 (Fixed), Actual/365 or Actual/Actual (in which case the numerator will be equal to the actual number of days 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 will be 365) or (iv) Actual/Actual (ICMA) (as defined in Condition 4(a) except that the Accrual Period will commence on (and include) the Issue Date of the first Tranche of the Notes and end on (but exclude) the date fixed for redemption or (as the case may be) the date upon which the Notes become due and repayable); or

(B) if the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (b) above or upon its becoming due and repayable as provided in Condition 10 is not paid or available for payment when due, the amount due and repayable in respect of such Zero Coupon Note shall be the Amortised Face Amount of such Zero Coupon Note calculated as provided above as though the references in clause (A) to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date (the "**Reference Date**") which is the earlier of:

(1) the date on which all amounts due in respect of the Note have been paid; and

(2) the date on which the full amount of the moneys repayable has been received by the Agent and notice to that effect has been given in accordance with Condition 13.

The calculation of the Amortised Face Amount in accordance with this clause (B) will continue to be made, after as well as before judgment, until the Reference Date unless the Reference Date falls on or after the Maturity Date, in which case the amount due and repayable shall be the nominal amount of such Note together with interest at a rate per annum equal to the Accrual Yield.

(iv) in the case of Index Linked Notes (unless otherwise specified in the applicable Pricing Supplement) at an amount that on the date for redemption would have the effect of preserving for the holders of the Notes the economic equivalent of the obligation of the Bank to make payments (of interest and/or principal) in respect of the Notes that would otherwise have fallen due after the date fixed;

(v) in the case of Dual Currency Notes, at a price determined as specified in the applicable Pricing Supplement; or

(vi) if "Fair Market Value" is specified as the Early Redemption Amount or Optional Redemption Amount in the applicable Final Terms, it means an amount determined by the Calculation Agent equal to the fair market value of such Notes on the Market Valuation Date specified in the applicable Final Terms taking into account, if applicable, the event resulting in the early redemption of the Notes, all as determined by the Calculation Agent in its sole and absolute discretion by reference to such factor(s) as it may deem appropriate and less, if specified to be applicable in the applicable Final Terms, the Early Redemption Unwind Costs. For the purposes of determining the fair market value of the Notes following an Event of Default, no account shall be taken of the financial condition of the Bank which shall be presumed to be able to perform fully its obligations in respect of the Notes.

For the purposes of this Condition 5(i), "Early Redemption Unwind Costs" means an amount determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Bank in connection with the redemption of the Notes and the related termination, settlement or re-establishment of any hedge or related trading position, such amount to be apportioned pro rata amongst each principal amount of Notes equal to the Calculation Amount.

(j) *Instalments*

Any Instalment Note will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Pricing Supplement. 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 Note to which it appertains) and in the case of the final instalment against surrender of the relevant Note, all as more fully described in Condition 6.

(k) *Purchases*

Subject to any applicable legal or regulatory restrictions, the Bank may at any time purchase Notes (provided that, in the case of Definitive Notes, all unmatured Coupons appertaining thereto are surrendered therewith) in the open market or by private treaty at any price, provided that in respect of Bail-inable Notes where a purchase for cancellation would lead to a breach of the Bank's minimum TLAC requirements, such purchase for cancellation will be subject to the prior approval of the Superintendent.

(l) *Cancellation*

Subject to the next following sentence, all Notes redeemed or purchased by the Bank as aforesaid will be cancelled forthwith, together with all unmatured Coupons attached thereto or surrendered or purchased therewith, and may not be resold or reissued. Notwithstanding the foregoing, BMO Capital Markets shall be permitted to purchase Notes and hold the same without requirement for

cancellation and to reissue and resell the same, provided such reissue or resale is (or are) done by BMO Capital Markets in its capacity as Lead Manager and/or Stabilisation Manager of the issue of the Notes and for any other appropriate purpose in connection with such roles, including, subject to regulatory requirements, market-making activities in respect of the Notes.

(m) *Further Provisions applicable to Redemption Amount*

References herein to "**Redemption Amount**" shall mean, as appropriate, the Final Redemption Amount and the Early Redemption Amount.

(n) *Redemption Irrevocable*

A notice of redemption under this Condition 5 shall be irrevocable provided that Bail-inable Notes continue to be subject to a Bail-in Conversion prior to their repayment in full.

6 Payments

(a) *Method of Payment*

Subject as provided below:

(i) Payments in a Specified Currency other than euro, U.S. dollars or Renminbi will be made by credit or transfer to an account in the Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency.

(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) with a bank specified by the payee or, at the option of the payee, by a euro cheque.

(iii) Payments in U.S. dollars will be made by transfer to a U.S. dollar account maintained by the payee outside of the United States or by a cheque drawn on a United States bank.

(iv) Payments in Renminbi will be made by transfer to a Renminbi account maintained by or on behalf of the payee with a bank in the RMB Settlement Centre in accordance with applicable laws, rules and regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement in Renminbi in the RMB Settlement Centre).

In no event will payment of amounts due in respect of Notes be made by a cheque mailed to an address, or by transfer or credit to an account at a bank located, in the United States (which expression, as used in this Condition 6, means the United States of America, including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment but without prejudice to the provisions of Condition 9, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law

implementing an intergovernmental approach thereto, and (iii) any withholding or deduction pursuant to Section 871(m) of the Code ("**871(m) Withholding**"). In addition, in determining the amount of 871(m) Withholding imposed with respect to any amounts to be paid on the Notes, the Bank shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

Payments on Notes that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70 per cent. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Bank will be deemed to withhold, 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Bank will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

(b) *Payments in respect of Global Notes*

Payment of principal and interest (if any) in respect of Global Notes will (subject as provided below) be made by transfer to an account in the Specified Currency maintained by the relevant clearing system. Payment of principal will be made against presentation or surrender of the Global Note and a record of each payment so made will be made on such Global Note by or on behalf of the Agent. Such record shall be prima facie evidence that the payment in question has been made.

Subject as provided below, (i) the relevant clearing system shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Bank will be discharged by payment to, or to the order of the relevant clearing system in respect of each amount so paid and (ii) each of the persons shown in the records of the relevant clearing system as the beneficial owner of a particular nominal amount of Notes must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Bank. In certain limited circumstances in which payments in respect of a Global Note are not made when due, owners of beneficial interests in such Note may become entitled to proceed directly against the Bank. See "Issue Procedures".

(c) *Payments in respect of Definitive Notes*

Payments of principal in respect of Definitive Notes will (subject as provided below) be made in the Specified Currency in the manner provided in paragraph (a) above against surrender of Definitive Notes and payments of interest in respect of the Definitive Notes will (subject as provided below) be made in the Specified Currency in the manner provided in paragraph (a) above against surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States.

Notwithstanding the foregoing, if the Definitive Notes are denominated or payable in U.S. dollars, payments in respect of the Definitive Notes will only be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

(i) the Bank has 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 owing in respect of the Notes in the manner provided above when due;

(ii) payment of the full amount owing in respect of the Notes at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Bank, adverse tax consequences to the Bank.

Fixed Rate Notes in definitive form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) must be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons to be issued on exchange of matured Talons) failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the aggregate amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time after the Relevant Date (as defined in Condition 9) in respect of such principal and before the expiration of the relevant period of prescription under Condition 12. Upon any such 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 date on which any Floating Rate Note, Dual Currency Note, Index Linked Interest Note or Long Maturity Note in definitive form becomes due and repayable, all unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose Nominal Amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the Nominal Amount of such Note.

(d) *Payment of Accrued Interest on Redemption*

If the due date for redemption of any Definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from and including the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Note.

(e) *Payment Business Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day, the holder thereof shall not be entitled to payment until the next following Payment Business Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means a day which is:

(i) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation (in the case of Notes in definitive form only); and

(B) any Additional Financial Centre (other than T2) specified in the applicable Final Terms;

(ii) if T2 is specified as an Additional Financial Centre in the applicable Final Terms, a day which is a T2 Business Day; and

(iii) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (which, in the case of Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively); or (2) in relation to any sum payable in euro, a day which is a T2 Business Day; or (3) in relation to any sum payable in Renminbi, a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in the RMB Settlement Centre.

"**Additional Financial Centre(s)**" means the additional financial centre(s) that are relevant to determining whether a day is a Payment Business Day, as specified in the applicable Final Terms.

(f) *Payment in an Alternative Currency*

If Alternative Currency Payment is specified as applicable in the applicable Final Terms and the Bank is due to make a payment in a currency (the "**original currency**") other than Renminbi in respect of any Note or Coupon and the original currency is not available on the foreign exchange markets due to the imposition of exchange controls, the original currency's replacement or disuse or other circumstances beyond the Bank's control, the Bank will be entitled to satisfy its obligations in respect of such payment by making payment in the Alternative Currency specified in the applicable Final Terms on the basis of the spot exchange rate (the "**Alternative Currency FX Rate**") at which the original currency is offered in exchange for the Alternative Currency in the London foreign exchange market (or, at the option of the Bank or its designated Calculation Agent, in the foreign exchange market of any other financial centre which is then open for business) at noon, London time, two Business Days prior to the date on which payment is due or, if the Alternative Currency FX Rate is not available on that date, on the basis of a substitute exchange rate determined by the Bank or by its designated Calculation Agent acting in its absolute discretion from such source(s) and at such time as it may select. For the avoidance of doubt, the Alternative Currency FX Rate or substitute exchange rate as aforesaid may be such that the resulting Alternative Currency amount is zero and in such event no amount of the Alternative Currency or the original currency will be payable. Any payment made in the Alternative Currency or non-payment in accordance with this paragraph will not constitute an Event of Default under Condition 10.

(g) *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 under Condition 9 in respect of principal;

(ii) the Optional Redemption Amount of the Notes;

(iii) the Final Redemption Amount of the Notes;

(iv) the Early Redemption Amount of the Notes;

(v) in relation to Zero Coupon Notes, the Amortised Face Amount; and

(vi) any premium and any other amounts which may be payable under or in respect of the Notes.

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 under Condition 9 in respect of interest.

(h) *RMB Notes*

If the Bank is due to make a payment in Renminbi in respect of any Note or Coupon, and if by reason of Inconvertibility, Non-transferability or Illiquidity, the Bank is not able, or it would be impracticable for it, to satisfy payments of principal or interest (in whole or in part) in respect of the Notes when due in Renminbi in an RMB Settlement Centre, the Bank may, on giving not less than five or more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, settle any such payment (in whole or in part) in U.S. dollars on the due date at the U.S. Dollar Equivalent of any such Renminbi denominated amount.

Any payment made in under such circumstances in U.S. dollars will not constitute an Event of Default under Condition 10 or trigger the Bank's indemnification obligation under Condition 18.

For the purpose of this Condition:

"**Calculation Agent**" means the Agent or such other entity specified in the applicable Final Terms;

"**CNY Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in the relevant RMB Settlement Centre(s);

"**Governmental Authority**" means, in respect of the relevant RMB Settlement Centre, any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the relevant RMB Settlement Centre;

"**Illiquidity**" means where the general Renminbi exchange market in the relevant RMB Settlement Centre becomes illiquid and, as a result of which, the Bank cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Notes as determined by the Bank in good faith and in a commercially reasonable manner following consultation with two CNY Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Bank to convert any amount due in respect of the Notes into Renminbi in the general Renminbi exchange market in the relevant RMB Settlement Centre, other than where such impossibility is due solely to the failure of the Bank to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the Notes and it is impossible for the Bank, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Bank to deliver Renminbi between accounts inside the relevant RMB Settlement Centre or from an account inside the relevant RMB Settlement Centre to an account outside the relevant RMB Settlement Centre, other than where such impossibility is due solely to the failure of the Bank to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of Notes and it is impossible for the Bank, due to an event beyond its control, to comply with such law, rule or regulation);

"**Rate Calculation Business Day**" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign exchange) in the relevant RMB Settlement Centre and in New York City;

"**Rate Calculation Date**" means the day which is two Rate Calculation Business Days before the due date of the relevant amount under these Conditions;

"**Relevant Valuation Time**" means the time specified as such in the applicable Final Terms;

"**Spot Rate**" means the spot/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in the relevant RMB Settlement Centre for settlement in two Rate Calculation Business Days, as determined by the Calculation Agent at or around the Relevant Valuation Time on the Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent will determine the Spot Rate at or around the Relevant Valuation Time on the Rate Calculation Date as the most recently available Renminbi/U.S. dollar official fixing rate for settlement in two Rate Calculation Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate;

"**U.S. Dollar Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Rate Calculation Date.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(h) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Bank, the Agent, the other Paying Agents and all Noteholders and Couponholders.

7 Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out below and on the Notes. If any additional or other Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms. In acting under the Agency Agreement, the Paying Agents will act solely as agents of the Bank and do not assume any obligations or relationships of agency or trust to or with the Noteholders or Couponholders, except that (without affecting the obligations of the Bank to the Noteholders and Couponholders to pay principal of and interest on the Notes) funds received for the payment of the principal of or interest on the Notes shall be held by it in trust for the Noteholders and/or Couponholders until the expiration for the relevant period of prescription under Condition 12. The Bank agrees to perform and observe the obligations imposed upon it under the Agency Agreement and to cause the Paying Agents to perform and observe the obligations imposed upon them under the Agency Agreement.

The Bank is entitled to 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:

(i) so long as any Notes are outstanding, there will at all times be an Agent;

(ii) so long as any Notes are outstanding, there will at all times be a Paying Agent (which may be the Agent) with a specified office in a leading financial centre approved by the Agent in continental Europe; and

(iii) so long as any Notes are listed and/or admitted to trading on any stock exchange (or other relevant listing authority), there will at all times be a Paying Agent (which may be the Agent) with a specified office in each location as may be required by the rules and regulations of the relevant stock exchange (or other relevant listing authority).

In addition, the Bank shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the second paragraph of Condition 6(c). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Agent and the Noteholders in accordance with Condition 13 provided that no such variation, termination, appointment or change shall take effect (except in the case of insolvency) within 15 days before or after any Interest Payment Date. Notwithstanding the foregoing, the Bank may (after consultation with the Agent) appoint one or more additional paying agents for a specific Series of Notes, which shall be specified in Part B of the applicable Final Terms and whose appointment shall be of immediate effect without any further requirement to give notice to the Noteholders.

8 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 6(c) and Condition 12. 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.

9 Taxation

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Bank will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or charges of whatever nature imposed or levied by or on behalf of the Government of Canada or any province, territory or political division thereof or any authority or agency therein or thereof having power to tax or, in the case of Senior Notes whose Branch of Account is located outside Canada, of the country in which such branch is located (the "**Branch Country**") or any political division thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or charges is required by law or by the interpretation or administration thereof. In that event, the Bank will pay such additional amounts as may be necessary in order that the net amounts receivable by the Noteholders or the Couponholders, as the case may be, after such withholding or deduction shall equal the respective amounts of principal or interest which would have been receivable in respect of the Notes 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 or Coupon:

(i) to, or to a third party on behalf of, a Noteholder or Couponholder who is liable to such taxes, duties, assessments or charges in respect of such Note or Coupon by reason of such Noteholder or Couponholder having some connection with Canada or, in the case of Senior Notes whose Branch of Account is located outside Canada, the Branch Country, other than the mere holding or use outside Canada or the Branch Country, or ownership as a non-resident of Canada or the Branch Country, of such Note or Coupon;

(ii) to, or to a third party on behalf of, a Noteholder or Couponholder, in respect of whom such tax, duty, assessment or governmental charge is required to be withheld or deducted by reason of such Noteholder or Couponholder's failure to comply with any certification, identification, documentation or other reporting requirement concerning the nationality, residence, identity or connection with Canada of such Noteholder or Couponholder if (a) compliance is required by law or by the interpretation of administration thereof as a precondition to, exemption from, or reduction in the rate of, the tax, assessment or other charge and (b) the Bank has given the Noteholder, Couponholder or, if such Noteholder or Couponholder is not the beneficial owner of the Note or Coupon in question, the beneficial owner of such Note or Coupon, at least 30 days' notice that the Noteholder, Couponholder or beneficial owner will be required to provide such certification, identification, documentation or other requirement;

(iii) 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 or before such thirtieth day, assuming that day to have been a Payment Business Day (as defined in Condition 6(e));

(iv) to, or to a third party on behalf of, a Noteholder or Couponholder in respect of whom such tax, duty, assessment or governmental charge is required to be withheld or deducted by reason of such Noteholder or Couponholder or other person entitled to payments under the Notes or Coupons, as the case may be, being a person with whom the Bank is not dealing at arm's length (within the meaning of the Income Tax Act (Canada));

(v) to, or to a third party on behalf of, a Noteholder or Couponholder who is, or who does not deal at arm's length with a person who is, a "specified shareholder" (as defined in subsection 18(5) of the Income Tax Act (Canada)) of the Bank;

(vi) for or on account of any 871(m) Withholding;

(vii) to, or to a third party on behalf of, a Noteholder or Couponholder who is liable to such taxes, duties, assessments or charges in respect of such Note or Coupon by reason of such Noteholder or Couponholder being a "specified entity" as defined in proposals to amend the Income Tax Act (Canada) on April 29, 2022 with respect to "hybrid mismatch arrangements"; or

(viii) in the case of any combination of the foregoing.

As used herein, the "**Relevant Date**" means:

(A) the date on which such payment first becomes due; or

(B) if the full amount of the moneys payable has not been received by the Agent on or prior to such due date, the date on which, the full amount of such moneys having been so received, notice to that effect shall have been given to the Noteholders in accordance with Condition 13.

If the Bank becomes subject generally at any time to any taxing jurisdiction other than or in addition to Canada or the Branch Country, references in Condition 5(b) and this Condition 9 to Canada or the Branch Country shall be read and construed as references to Canada or the Branch Country and/or to such other jurisdiction(s).

Any reference in these Terms and Conditions to "**principal**" and/or "**interest**" in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 9. Unless the context otherwise requires, any reference in these Terms and Conditions to "principal" shall

include any premium payable in respect of a Note, or Redemption Amount and any other amounts in the nature of principal payable pursuant to these Terms and Conditions and "interest" shall include all amounts payable pursuant to Condition 4 and any other amounts in the nature of interest payable pursuant to these Terms and Conditions.

10 Events of Default

Each holder of Notes is entitled to declare his Senior Note or Principal At Risk Note, as applicable, due and payable, and the relevant Note shall thereupon become immediately repayable at its nominal amount, together with accrued interest payable thereon, on the occurrence of any one of the following events (the "**Events of Default**"):

(a) default is made for more than 30 Business Days (as defined in the Condition 4) in the payment on the due date of interest or principal in respect of any such Notes; or

(b) the Bank shall become insolvent or bankrupt or subject to the provisions of the Winding-up and Restructuring Act (Canada), or any statute hereafter enacted in substitution therefor, as such Act, or substituted Act, may be amended from time to time, or if the Bank goes into liquidation, either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, is ordered wound-up or otherwise acknowledges its insolvency.

Noteholders may only exercise rights under this Condition 10 in respect of Bail-inable Notes where an order has not been made pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank. Notwithstanding the exercise of any rights by Noteholders under this Condition 10 in respect of Bail-inable Notes, Bail-inable Notes will continue to be subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares under subsection 39.2(2.3) of the CDIC Act until repayment in full. A conversion of Bail-inable Notes into common shares under subsection 39.2(2.3) of the CDIC Act will not be an Event of Default. By its acquisition of the Bail-inable Notes, each holder (including each holder of a beneficial interest in any Bail-inable Note), to the extent permitted by law, waives any and all claims, in law and/or in equity, against the Agent (in each case solely in its capacity as Agent), for, agrees not to initiate a suit against the Agent in respect of, and agrees that the Agent shall not be liable for, any action that the Agent takes, or abstains from taking, in either case in accordance with the Bail-in Conversion.

In the case of Senior Notes and Principal At Risk Notes, upon the occurrence of any Event of Default, the Bank will waive any requirement that presentment, demand for payment, service of legal process or any similar procedure be made at the branch of the Bank which issued the Senior Notes or Principal At Risk Notes, as applicable.

11 Replacement of Notes, Coupons and Talons

Should any Note, Coupon or Talon be mutilated, defaced or destroyed or be lost or stolen, it may be replaced at the specified office of any Paying Agent (or such other place as may be notified to the Noteholders), in accordance with all applicable laws and regulations, upon payment by the claimant of the expenses incurred by the Bank or the Paying Agent, in connection therewith and on such terms as to evidence, indemnity, security or otherwise as the Bank or the Paying Agent may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12 Prescription

Subject to applicable law, the Notes and Coupons will become void unless presented for payment within a period of two years from the Relevant Date (as defined in Condition 9) relating thereto. Any moneys paid by the Bank to the Agent for the payment of principal or interest in respect of the Notes and remaining unclaimed when the Notes or Coupons become void shall forthwith be repaid to the Bank and all liability with respect thereto shall thereupon cease. 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 12 or Condition 6(c) or any Talon which would be void pursuant to Condition 6(c).

13 Notices

Notices in respect of the Notes shall be published in one leading English language newspaper with circulation in the UK (which is expected to be the Financial Times) or, if this is not practicable, one other such English language newspaper as the Bank, in consultation with the Agent, shall decide. The Bank shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or other relevant listing authority) on which the Notes are for the time being listed, including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice shall be deemed to have been given on the date of the first publication.

There may, so long as the Global Notes for this Series are held in their entirety on behalf of Euroclear, Clearstream, Luxembourg or any other agreed clearing system, be substituted for such publication in such newspaper the delivery of the relevant notice to the relevant clearing system for communication by it to the holders of the Notes of this Series. Any such notice shall be deemed to have been given to the holders of the Notes of this Series on the day on which the said notice was given to the relevant clearing system.

Any notice to the Agent shall be given to it in writing at its specified office or to such other address as shall have been notified to the holders of Notes and Coupons. Notwithstanding the foregoing, while any of the Notes of this Series are represented by a Global Note, such notice may be given by any holder of a Note of this Series to the Agent via Euroclear, Clearstream, Luxembourg or any other agreed clearing system, as the case may be, in such manner as the Agent and the relevant clearing system may approve for this purpose.

Notice to be given to the Bank by any Noteholder shall be in writing and given by lodging the same, together with the relevant Note or Notes, with the Agent. While any of the Notes are represented by a Global Note, such notice may be given by any accountholder to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

14 Modification

The rights of the outstanding Noteholders may in certain circumstances be modified. For that purpose, among others, the Agency Agreement contains provisions for convening meetings (including at a physical location or by means of an electronic platform (such as a conference call or videoconference) or a combination thereof), passing written resolutions or obtaining electronic consents, making extraordinary resolutions binding upon all Noteholders. "**Extraordinary resolution**" is defined, in effect, as (i) a resolution passed at a meeting of Noteholders by the affirmative vote of the holders of not less than 66-2/3 per cent. in nominal amount of the Notes voted on the resolution at such meeting at which a quorum, as specified in the Agency Agreement, is present (ii) a resolution in writing signed in one or more counterparts by the holders of not less than 66-2/3 per cent. in nominal amount of all outstanding Notes or (iii) consents given by way of electronic consents communicated through the electronic communication systems of the relevant clearing systems, by or on behalf of the holders of not less than 66-2/3 per cent. in nominal amount of all outstanding Notes.

The Agency Agreement and the Conditions, Notes, Coupons and Talons may be amended by the Bank and Paying Agents, without the consent of the Noteholders or Couponholders, for the purpose of curing any ambiguity, curing, correcting or supplementing any defective provision contained therein, correcting any manifest or proven error or in any manner which may be necessary or desirable and which shall not adversely affect the interests of the outstanding Noteholders.

Notwithstanding anything in this Condition 14, where any amendment, modification or other variance of any Bail-inable Notes may affect their recognition by the Superintendent as TLAC, in addition to such approvals as may be required under the Conditions, that amendment, modification or variance will require the prior approval of the Superintendent.

15 Currency Indemnity

Subject to Condition 6(f) or (h), if, under any applicable law and whether pursuant to a judgment being made or registered against the Bank or for any other reason, any payment under or in connection with the Notes is made or is to be satisfied in a currency (the "**other currency**") other than that in which the relevant payment is expressed to be due (the "**required currency**") under the Notes then, to the extent that the payment (when converted into the required currency at the rate of exchange on the date of payment) falls short of the amount due under the terms of the Notes, the Bank shall, as a separate and independent obligation, indemnify and hold harmless the relevant Noteholder against the amount of such shortfall. For the purpose of this Condition 15, "**rate of exchange**" means the noon spot rate on the London foreign exchange market on the relevant date to purchase the required currency with the other currency as determined by the Agent.

16 Further Issues

The Bank may from time to time in its sole discretion, without the consent of the holders of Notes or Coupons create and issue further Notes having the same terms and conditions as such Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the denomination thereof) so as to form a single series with the Notes of any particular Series, and references in these Conditions to "**Notes**" shall be construed accordingly.

17 Waiver of set-off and netting rights

No Noteholder or beneficial owner of an interest in the Bail-inable Notes may exercise, or direct the exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount

owed to it by the Bank arising under, or in connection with, the Bail-inable Notes, and each Noteholder or beneficial owner of an interest in the Bail-inable Notes shall, by virtue of its acquisition of any Bail-inable Note (or an interest therein), be deemed to have irrevocably and unconditionally waived all such rights of set-off, netting, compensation or retention. Notwithstanding the foregoing, if any amounts due and payable to any Noteholder or beneficial owner of an interest in the Bail-inable Notes by the Bank in respect of, or arising under, the Bail-inable Notes are purportedly discharged by set-off, netting, compensation or retention, without limitation to any other rights and remedies of the Bank under applicable law, such Noteholder or beneficial owner of an interest in the Bail-inable Notes shall be deemed to receive an amount equal to the amount of such discharge and, until such time as payment of such amount is made, shall hold such amount in trust for the Bank and, accordingly, any such discharge shall be deemed not to have taken place and such set-off, netting, compensation or retention shall be ineffective.

18 Branch of Account

For the purposes of the Bank Act the branch of account of the Bank shall be either Toronto or London as specified in the applicable Final Terms (the "**Branch of Account**") for the deposits evidenced by this Note. Senior Notes, irrespective of the Branch of Account specified in the applicable Final Terms, are obligations of the Bank.

This Note will be paid without the necessity of first being presented for payment at the Branch of Account.

If the Branch of Account is not in Canada, the Bank may change the Branch of Account for the deposits evidenced by this Note, upon not less than seven days' prior notice to its holder given in accordance with Condition 13 and upon and subject to the following terms and conditions:

(i) if this Note is denominated in Japanese yen, the Branch of Account shall not be in Japan;

(ii) the Bank shall indemnify and hold harmless the holders of the Senior Notes and Coupons relating thereto against any tax, duty, assessment or governmental charge which is imposed or levied upon such holder as a consequence of such change, and shall pay the reasonable costs and expenses of the Agent in connection with such change;

(iii) notwithstanding (ii) above, no change of the Branch of Account may be made unless immediately after giving effect to such change (a) no Event of Default, and no event, which, after the giving of notice or lapse of time or both, would become an Event of Default shall have occurred and be continuing and (b) payments of principal and interest on Notes of this Series and Coupons relating thereto to holders thereof (other than Excluded Holders, as hereinafter defined) shall not, in the opinion of counsel to the Bank, be subject to any taxes, as hereinafter defined, to which they would not have been subject had such change not taken place. For the purposes of this section, an "**Excluded Holder**" means a holder of a Note of this Series or Coupon relating thereto who is subject to taxes by reason of his having some connection with the Relevant Jurisdiction (as hereinafter defined) other than the mere holding or use of a Note of this Series or Coupon as a non-resident of such Relevant Jurisdiction. "**Relevant Jurisdiction**" means and includes Canada, its provinces or territories and the jurisdiction in which the new Branch of Account is located, and "**taxes**" means and includes any tax, duty, assessment or other governmental charge imposed or levied in respect of the payment of the principal of the Notes of this Series or interest

thereon for or on behalf of a Relevant Jurisdiction or any authority therein or thereof having power to tax; and

(iv) in the case of Bail-inable Notes, if the change is to another Branch of Account outside of Canada, prior approval of the Superintendent shall be required.

19 Governing Law; Submission to Jurisdiction

The Agency Agreement, the Notes and the Coupons are governed by, and shall be construed in accordance with, the laws of the Province of Ontario in Canada and the federal laws of Canada applicable therein. For the avoidance of doubt, by its acquisition of an interest in any Bail-inable Notes, each Noteholder or beneficial owner of any Bail-inable Notes is deemed to attorn to the jurisdiction of the courts in the Province of Ontario with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes.

USE OF PROCEEDS

Except as otherwise specified in the applicable Final Terms, the net proceeds from each issue of Notes will be added to the general funds of the Bank. If, in respect of any issue of a specific Series of Notes, there is a particular identified use of proceeds (including in the case of Sustainable Bonds) this will be stated in the applicable Final Terms.

SUSTAINABLE BOND FRAMEWORK

In September 2019, the Bank published a sustainability-linked financing framework (the "**Sustainable Financing Framework**"). The Sustainable Financing Framework aligns with the International Capital Markets Association's ("**ICMA**") 2018 Green Bond Principles, 2018 Social Bond Principles, 2018 Sustainability Bond Guidelines and the Loan Market Association's 2018 Green Loan Principles and may be updated from time to time as market practices evolves.

The Bank's Sustainable Financing Framework is available at: https://www.bmo.com/main/about-bmo/investor-relations/fixed-income-investors/funding-programs.

The Bank has appointed Sustainalytics to review the alignment of the Bank's Sustainable Financing Framework with industry practice. Sustainalytics has evaluated the Bank's Sustainability-Linked Financing Framework and has issued the Second Party Opinion confirming its alignment with the Sustainability-Linked Bond Guidelines 2018, as administered by ICMA and the four core components of the Green Bond Principles 2018 and Social Bond Principles 2018. The Second Party Opinion provided by Sustainalytics dated September 2019 is available for viewing on the Bank's website at: https://www.bmo.com/main/about-bmo/investor-relations/fixed-income-investors/funding-programs.

No assurance or representation is given by the Bank, the Arrangers or any Dealer as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Bank) which may be made available in connection with the issue of any Notes issued as Sustainable Bonds or in respect of any sustainability framework and, in particular, with any sustainability criteria to fulfil any environmental, sustainability, social and/or other criteria.

For the avoidance of doubt, the Sustainable Financing Framework and any such opinion, report or certification of any third party (whether or not solicited by the Bank) are not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Any such opinion, report or certification is not, nor should be deemed to be, a recommendation by the Bank, the Dealers or any other person to buy, sell or hold any such Notes issued as Sustainable Bonds. Any such opinion, report or certification is only current as of the date that opinion was initially issued and the considerations and/or criteria which are the basis of such an opinion or certification can change at any time. The providers of such opinions or certifications are currently not subject to any specific regulatory or other regime or oversight. See "*Risk Factors - Notes issued as "sustainable bonds" may not be a suitable investment for all investors seeking exposure to sustainable, green, and/or social assets."*

Any websites included or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus.

BANK OF MONTREAL

Name and Incorporation

Charter and Head Office

The Bank started business in Montréal in 1817 and was incorporated in 1821 by an Act of Lower Canada as the first Canadian chartered bank. Since 1871, the Bank has been a chartered bank under the Bank Act, and is named in Schedule I of the Bank Act. The Bank Act is the charter of the Bank and governs its operations.

The Bank's head office is 129 rue Saint Jacques, Montréal, Québec, Canada H2Y 1L6. Its executive offices are 100 King Street West, 1 First Canadian Place, Toronto, Ontario, Canada M5X 1A1.

Principal Activities and Markets

BMO Financial Group is a highly diversified financial services provider based in North America. The Bank offers a broad range of personal and commercial banking, wealth management, global markets and investment banking products and services directly and through Canadian and non-Canadian subsidiaries, offices, and branches. As at October 31, 2022, the Bank had over 12 million customers and approximately 46,000 full-time equivalent employees. The Bank has more than 1,300 bank branches and approximately 4,700 automated banking machines, as well as online and mobile digital banking platforms. The Bank operates in Canada, the United States and select markets globally through its offices in a number of jurisdictions around the world. BMO Financial Corp. ("**BFC**") is based in Chicago and wholly-owned by the Bank. BFC operates primarily through its subsidiary BMO Harris Bank N.A. ("**BHB**"), which provides banking, financing, investing, and cash management services in the United States. The Bank provides a full range of investment dealer services through entities, including BMO Nesbitt Burns Inc., a major fully integrated Canadian investment dealer, and BMO Capital Markets Corp., the Bank's wholly-owned registered securities dealer in the United States.

The Bank conducts business through three operating groups: Personal and Commercial Banking (**"P&C"**), comprising the Canadian P&C and U.S. P&C operating segments; BMO Wealth Management; and BMO Capital Markets. In P&C, personal banking provides customers with a wide range of financial products and services, including deposits, lending cash management and everyday financial and investment advice through a network of branches, dedicated contact centres, digital banking platforms and automated teller machines. Commercial Banking serves clients across Canada and the U.S. with a comprehensive range of commercial banking products and services, including a variety of financing options and treasury and payment solutions, as well as risk management products. Commercial banking serves clients as a trusted advisor, offering industry expertise, a local presence and a comprehensive range of commercial products and services. Canadian P&C operates branches across Canada, while U.S. P&C's footprint expands across Illinois, Wisconsin, Missouri, Indiana, Minnesota, Kansas, Arizona and Florida under the BMO Harris brand. In addition, the commercial business provides targeted nationwide coverage for key specialty sectors and has offices in select regional markets. BMO Wealth Management serves a full range of clients from individuals and families to business owners and institutions. It offers a wide spectrum of wealth, asset management and insurance products and services aimed at helping clients plan, grow, protect and transition their wealth. The asset management business is focused on making a positive impact and delivering innovative client solutions. BMO Capital Markets is a North American based financial services provider offering a complete range of products and services to corporate, institutional and government clients. These include equity and debt investment and corporate banking services, as well as global market sales and trading solutions. Corporate Services consists of Corporate Units and Technology and Operations (**"T&O"**). Corporate Units provide enterprise-wide expertise, governance and support in a variety of areas, including strategic planning,

risk management, treasury, finance, legal and regulatory compliance, sustainability, human resources, communications, marketing, real estate and procurement. T&O develops, monitors, manages and maintains governance of information technology, including data and analytics, and provides cyber security and operations services.

For additional information regarding the Bank's businesses, see pages 18 and 38 to 57 of the 2022 MD&A, Note 25 to the 2022 Financial Statements and pages 21 to 38 of the Second Quarter 2023 MD&A, which are incorporated by reference herein.

Competition

Canada's financial services industry is highly competitive. It includes 35 domestic banks and 46 foreign bank subsidiaries, branches, and lending branches, as well as a multitude of trust companies, credit unions, online and full-service brokerages, investment dealers, life and property and casualty insurance companies, mutual fund dealers, and large monoline financial institutions, among others. The Bank competes with most of these companies in some form across its businesses. However, the Bank's range of services compares most directly to those of the other five major Canadian banks, and they are direct competitors in almost all the Bank's businesses and markets in Canada. The Bank is the fourth largest chartered bank in Canada as measured by assets and equity, and the third largest as measured by market capitalisation, as at October 31, 2022. In North America, the Bank is the eighth largest bank by assets, ninth largest by market capitalisation, and tenth largest by equity as at October 31, 2022. The Bank is the second largest Canadian bank as measured by retail branches in Canada and the United States and a top-5 commercial lender in North America.

The financial services industry continues to operate in a rapidly changing environment. The six major banks play a prominent role in the Canadian banking system, each maintaining an extensive branch network, augmented by automated banking machines, dedicated contact centers and digital and mobile banking platforms. The industry is considered mature with moderate growth, supported by an overall focus on efficiency. Although the major banks offer similar products and services, they compete on product offerings, pricing, service models and digital capabilities, as well as entering alliances, with a goal of enhancing customer experiences, gaining a strategic advantage and growing market share and scale.

Traditional competitors continue to expand their advisory sales forces and product offerings that allow them to serve customers in new ways and focus more effectively on providing elevated client experiences, while non-traditional competitors continue to gain momentum in certain segments of banking, in some cases with reduced regulatory requirements and oversight, and are deepening their connections with banks in order to enhance their products and build customer relationships. Advancement of technological capabilities is shaping the future of everyday banking for individuals and businesses, whose changing behaviours and preferences for on-demand banking have led to significant progress in open banking, a growing number of non-bank financial services providers and more banking options for customers. In response to these challenges, the Bank has set out a Digital First strategy to enhance customer experiences and bring new solutions to market, while reducing costs, simplifying processes and improving the efficiency of operations. The Bank continues to invest in advanced technologies, including artificial intelligence (AI) to provide high levels of operational reliability and resilience, and has designed talent strategies to attract and retain employees with the skills it needs. The Bank is developing new risk management practices to identify, assess and manage the risks arising from new and evolving technologies. The accelerated adoption of cloud-based solutions and strengthened cloud service delivery arrangements provide the Bank flexibility to adapt to the expanded digital landscape and the hybrid work environment. The Bank continues to invest in our Financial Crimes Unit and technological infrastructure to detect and address cybersecurity threats across North America,

Europe and Asia in order to help keep its customers' and employees' data secure. The competitive environment, changing client preferences and regulation are also expected to put pressure on fees for products and services.

The Bank will continue to focus on delivering word-class client loyalty and growth powered by One Client leadership; a winning culture driven by alignment, empowerment and recognition; digital capabilities for speed, scale and the elimination of complexity; being the Bank's clients' lead partner in the transition to a net zero world including sustainable financing and responsible investing; and superior management of risk, capital and funding performance.

The Bank's Canadian P&C banking business provides a full range of lending, deposit and treasury management products and services to eight million customers. Canadian P&C continues to focus on strengthening customer loyalty to generate growth in a competitive environment, as well as increasing digital capabilities to augment the customer experience. Canadian P&C's award-winning[1] Personal and Business Banking provides customers with a wide range of products and services, including chequing and savings accounts, credit cards, mortgages, personal loans, small business lending, cash management and everyday financial and investment advice. The Bank's employees are focused on providing exceptional experience to all of its customers in every interaction and helping them make real financial progress.

Canadian P&C's award winning [2] commercial bank possesses a strong competitive position in commercial lending, with a number two market share for business loans of up to $25 million. Commercial Banking provides clients with a comprehensive range of commercial products and services, including a variety of financing options and treasury and payment solutions, as well as risk management products. The Bank's commercial bankers partner with 'clients to anticipate their financial needs, and share expertise and knowledge to help them manage and grow their businesses.

In Canada, BMO Wealth Management competes with domestic banks, insurance companies, trust companies, global private banks, investment counselling and advisory firms, and investment fund and asset management companies, among others. BMO Wealth Management's Canadian businesses have strong brand recognition and market position. BMO Private Wealth provides full-service investing, award-winning private banking[3] and wealth advisory services to high net worth and ultra-high net worth clients, leveraging individualised financial planning and advice-based solutions. BMO InvestorLine provides a range of digital investment services that compete effectively with online brokerages and digital advice providers. BMO Insurance competes with Canadian insurance companies in providing individual life and annuity products as well as pension de-risking solutions. In the United States, BMO Wealth Management competes primarily in U.S. personal wealth and advisory services, with a strategic presence in the States of Illinois and Wisconsin and in select high-growth wealth markets across the country. BMO Global Asset Management provides investment management products and services to institutional, retail and high net worth investors offering a range of innovative, client-focused solutions and strategies to help clients meet their investment objectives.

BMO Capital Markets operates in a highly competitive environment and its businesses face a diverse range of competitors. With approximately 2,800 professionals in 32 locations around the world, including

[1] In 2023, the Bank was named Best Retail Bank in Canada by World Finance Magazine for the second consecutive year.

[2] In 2023, the Bank was named Best Commercial Bank in Canada by World Finance Magazine for the ninth consecutive year.

[3] In 2023, BMO Private Banking was named Best Private Bank in Canada by World Finance Magazine for the thirteenth consecutive year.

18 offices in North America, BMO Capital Markets works proactively with clients, aiming to be their valued financial partner – leveraging people, innovative solutions, and capital to help them achieve their goals. BMO Capital Markets' success is based on a highly integrated, client-focused North American capital markets business with a well-diversified platform and business mix – by sector, geography, product and currency. This includes a strong, scalable and relevant U.S. business, and strong risk management and regulatory compliance practices.

U.S. P&C provides a broad range of financial products and services to over two million customers and competes with a diverse range of competitors including large U.S. banks, regional banks and non-bank financial service providers. Personal and Business Banking's core branch footprint spans eight states (Illinois, Wisconsin, Missouri, Indiana, Minnesota, Kansas, Arizona and Florida) with a top three deposit market share position across our Midwest footprint, serving customers through a network of over 500 branches as well as nationwide access to a digital banking platform and over 40,000 automated banking machines. Personal and Business Banking offers a variety of products and services, including deposits, home lending, consumer credit, small business lending, credit cards and other banking services, with an overall focus on providing customers with an exceptional experience in every interaction and helping them make real financial progress. Commercial Banking offers nationwide coverage across key specialty sectors and continues to extend its footprint and strengthen its position in the growing markets of Florida, Georgia, Colorado, Michigan, Texas and Southern California. Commercial Banking provides clients with a comprehensive range of commercial products and services, including a variety of financing options, advisory services and treasury and payment solutions, to meet clients' financial needs and help them manage and grow their business.

Consolidation has been underway in the financial services industry in Canada and the United States in recent years. This affects trust companies, mutual fund managers, life insurers, and credit unions. Any large bank merger would be subject to Canadian federal government policy on bank mergers and a thorough public review process. It is uncertain whether this will change in the near future but further consolidation and increased competition in the financial services industry overall is likely.

Supervision and Regulation in Canada

The Bank's activities in Canada are governed by the Bank Act (Canada).

Under the Bank Act, a bank can operate its regular banking business as well as some additional activities, such as dealing with real property and various financial technology and information services. A bank is restricted when it undertakes certain activities, including fiduciary activities, dealing in securities, insurance activities, and personal property leasing. For example, other than for authorised types of insurance, a bank may not offer insurance products through its branch system or bank website.

The Bank Act grants a bank broad power to invest in the securities of other corporations and entities, but limits substantial investments. Under the Bank Act, a bank generally has a substantial investment in a body corporate when (1) the bank and entities controlled by the bank beneficially own more than 10 per cent. of the voting shares of the body corporate or (2) the bank and entities controlled by the bank beneficially own shares representing more than 25 per cent. of the total shareholders' equity of the body corporate. A bank can have a substantial investment in entities that meet the substantial investment requirements as set out in Part IX of the Bank Act. In certain cases, the Minister of Finance or the Superintendent must approve before a bank can make an investment.

The Superintendent is responsible to the Minister of Finance for administering the Bank Act. The Superintendent provides guidelines for disclosing a bank's financial information. The Superintendent must also examine each bank annually to ensure compliance with the Bank Act and that each bank is in sound financial condition. The Superintendent's examination report is submitted to the Minister of Finance.

The Bank's Canadian trust, loan and insurance subsidiaries are federally regulated financial institutions governed by the Trust and Loan Companies Act (Canada) and the Insurance Companies Act (Canada), respectively, and under provincial laws in respect of their activities in the provinces. The Bank and its Canadian trust, loan and insurance subsidiaries are also subject to regulation by the Financial Consumer Agency of Canada ("**FCAC**"). The FCAC enforces consumer-related provisions of the federal statutes which govern these financial institutions. Certain activities of the Bank and its subsidiaries acting as securities brokers, dealers, underwriters, advisers and investment fund managers are regulated in Canada under provincial securities legislation and, in some cases, by a self-regulatory organisation (the Investment Industry Regulatory Organization of Canada or the Mutual Fund Dealers Association of Canada).

Under Canadian bank resolution powers, the CDIC may, in circumstances where the Bank has ceased, or is about to cease, to be viable, assume temporary control or ownership of the Bank and may be granted broad powers by one or more orders of the Governor in Council (Canada), including the power to sell or dispose of all or a part of the assets of the Bank, and the power to carry out or cause the Bank to carry out a transaction or a series of transactions the purpose of which is to restructure the business of the Bank. As part of the Canadian bank resolution powers, certain provisions of, and regulations under the Bank Act, the CDIC Act and certain other Canadian federal statutes pertaining to banks (collectively, the bail-in regime) provide for a bank recapitalisation regime for banks designated by the Superintendent as domestic systemically important banks. Effective 23 September 2018, under the bail-in regime, subject to an order of the Governor in Council (Canada) having been issued, CDIC may, having assumed temporary control or ownership of the Bank, amongst other actions, carry out a conversion, by converting or causing the Bank to convert, in whole or in part – by means of a transaction or series of transactions and in one or more steps – the shares and liabilities of the Bank that are subject to the bail-in regime into common shares of the Bank or any of its affiliates. For a more detailed description of Canadian bank resolution powers and the consequent risk factors attaching to certain liabilities of the Bank, reference is made to https://www.bmo.com/ir/files/F18%20Files/Bail_In_TLAC_Disclosure.pdf.

Additional information about supervision and regulation in Canada is found under the headings "Regulatory Capital Requirements" and "Regulatory Capital Developments" in the Enterprise-Wide Capital Management section on pages 66 to 67, "Regulatory Requirements" in the "Risks That May Affect Future Results" section on page 75, and "Legal and Regulatory Risks" on pages 107 to 109 of the 2022 MD&A, as well as under the heading "Capital Management" on pages 23 to 25 of the Second Quarter 2023 MD&A.

Supervision and Regulation in the United States

In the United States, the operations of the Bank and its subsidiaries are supervised, regulated, and examined by regulatory and government agencies at the federal and state level. As a foreign bank, the Bank is subject to various United States laws and regulations, including the United States International Banking Act of 1978, the United States Bank Holding Company Act of 1956, and related regulations. The Board of Governors of the Federal Reserve System, including the Federal Reserve Banks (the "**Federal Reserve**"), and state banking regulators oversee the Bank's branch and office operations in the United States. The United States Securities and Exchange Commission (the "**SEC**"), the Financial

Industry Regulatory Authority, and state securities regulators regulate broker-dealer subsidiaries. The SEC and state securities regulators regulate registered investment advisor subsidiaries.

The Bank and its subsidiaries own two Federal Deposit Insurance Corporation ("**FDIC**") insured depository institutions in the United States, BHB and BMO Harris Central N.A. ("**BHC**"). BHB provides banking, financing, investing, and cash management services predominantly in the United States Midwest. BHC provides limited cash management services. They are subject to examination by the Office of the Comptroller of the Currency ("OCC"). The Federal Reserve generally needs to approve acquiring (a) more than 5 per cent. of voting shares, (b) control, or (c) all (or substantially all) of the assets of a bank holding company, bank, or savings association.

The Bank is also subject to the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**"). Dodd-Frank reforms include heightened consumer protection, revised regulation of over-the-counter derivatives markets, restrictions on proprietary trading and the ownership and sponsorship of private investment funds by banks and their affiliates (referred to as the "**Volcker Rule**"), imposition of heightened prudential standards, and broader application of leverage and risk-based capital requirements.

The Federal Reserve Board's rule for strengthening supervision and regulation of foreign banking organisations (the "**FBO Rule**") implemented Dodd-Frank's enhanced prudential standards for the United States operations of non-United States banks, such as the Bank. The FBO Rule established new requirements relating to an intermediate holding company structure, risk-based capital and leverage requirements, capital stress testing requirements, United States risk management and risk governance, liquidity risk management and liquidity stress testing frameworks. The Bank has certified its compliance with the FBO Rule.

In May 2018, the United States Congress passed the Economic Growth, Regulatory Relief, and Consumer Protection Act ("**EGRRCP**"), which made reforms to Dodd-Frank, including raising the threshold for heightened prudential standards from US$50 billion to US$250 billion in total consolidated assets. The Federal Reserve in October 2019 issued final rules that modify capital and liquidity requirements, single counterparty credit limits, and enhanced prudential standards for bank holding companies and foreign banking organisations.

The OCC has issued guidelines that establish heightened standards for large national banks with average total consolidated assets of US$50 billion or more, including BHB. The guidelines set out minimum standards for the design and implementation of a bank's risk governance framework and minimum standards for oversight of that framework by a bank's board of directors. The framework must ensure the bank's risk profile is easily distinguished and separate from that of its parent for risk management purposes. A bank's board of directors is responsible for informed oversight of, and providing credible challenge to, management's risk management recommendations and decisions. The Bank complies with these guidelines.

Additional information about supervision and regulation in the United States is found under the headings "Regulatory Capital Requirements","Regulatory Capital Developments" and "Regulatory Capital Review" in the Enterprise-Wide Capital Management section on pages 66 to 67, "Regulatory Requirements" in the "Risks That May Affect Future Results" section on page 75, and "Legal and Regulatory Risk" on pages 107 to 109 of the 2022 MD&A, as well as under the heading "Capital Management" on pages 23 to 25 of the Second Quarter 2023 MD&A.

International Supervision and Regulation

Outside Canada and the United States, each of the Bank's branches, agencies and subsidiaries must comply with the regulatory requirements of the country or jurisdiction where it conducts business. These include the Basel Committee on Banking Supervision capital, liquidity and prudential rules ("**Basel III**"), or local variations on Basel III, which are intended to strengthen the banking sector's capital and liquidity frameworks. Since the first quarter of 2013, regulatory capital requirements for the Bank have been determined on a Basel III basis.

Additional information about international supervision and regulation is found under the headings "Regulatory Capital Requirements", "Regulatory Capital and Total Loss Absorbing Capacity Ratios", "Regulatory Capital and Total Loss Absorbing Capacity Elements" and "Regulatory Capital Developments" in the Enterprise-Wide Capital Management section on page 67, "Regulatory Requirements" in the "Risks That May Affect Future Results" section on page 75, and "Legal and Regulatory Risks" on pages 107 to 109 of the 2022 MD&A, as well as under the heading "Capital Management" on pages 23 to 25 of the Second Quarter 2023 MD&A.

Significant Subsidiaries

As at October 31, 2022, the Bank, either directly or indirectly through its subsidiaries, controls the following significant operating subsidiaries:

Significant subsidiaries [1][2]	Head or principal office	Book value of shares owned by the Bank (Canadian $ in millions)
Bank of Montreal (China) Co. Ltd.	Beijing, China	463
Bank of Montreal Europe plc	Dublin, Ireland	1,130
Bank of Montreal Holding Inc. and subsidiaries, including:	Toronto, Canada	36,913
Bank of Montreal Mortgage Corporation	Calgary, Canada	
BMO Mortgage Corp.	Vancouver, Canada	
BMO Investments Limited	Hamilton, Bermuda	
BMO Reinsurance Limited	St. Michael, Barbados	
BMO Nesbitt Burns Inc.	Toronto, Canada	
BMO Investments Inc.	Toronto, Canada	
BMO InvestorLine Inc.	Toronto, Canada	
BMO Capital Markets Limited	London, England	289
BMO Financial Corp. and subsidiaries, including:	Chicago, United States	32,490
BMO Asset Management Corp. and subsidiaries	Chicago, United States	
BMO Capital Markets Corp.	New York, United States	
BMO Harris Bank National Association and subsidiaries, including:	Chicago, United States	
BMO Harris Investment Company LLC	Chicago, United States	
BMO Life Insurance Company and subsidiaries, including:	Toronto, Canada	1,610
BMO Life Holdings (Canada), ULC	Halifax, Canada	
BMO Life Assurance Company	Toronto, Canada	
BMO Trust Company	Toronto, Canada	597
BMO Japan Securities Ltd.	Tokyo, Japan	6

(1) Each subsidiary is incorporated or organised under the law of the state or country in which the principal office is situated, except for BMO Financial Corp., BMO Asset Management Corp., and BMO Capital Markets Corp., which are incorporated under

the laws of the State of Delaware, United States. BMO Harris Investment Company LLC is organised under the laws of the state of Nevada, United States.

(2) Unless otherwise noted, the bank, either directly or indirectly through its subsidiaries, owns 100% of the outstanding voting shares of each subsidiary.

Issuer Ratings

The following table sets out ratings the Bank has received for its outstanding securities from the rating agencies, which are current to the date of this Prospectus.

	S&P	Moody's	DBRS	Fitch
Short-term instruments	A-1	P-1	R-1 (high)	F1+
Senior debt[1]	A-	A2	AA (low)	AA-
Long Term Deposits & Legacy Senior debt[2]	A+	Aa2	AA	AA
Subordinated debt	A-	Baa1	A (high)	A
Subordinated debt – NVCC[3]	BBB+	Baa1(hyb)	A (low)	A
Subordinated Capital Notes – NVCC[(3)]	BBB-	Baa3 (hyb)	N/A	N/A
Limited Recourse Capital Notes – NVCC[(3)]	BBB-	Baa3 (hyb)	BBB (high)	N/A
Preferred shares	BBB	Baa3	Pfd-2 (high)	N/A
Preferred shares – NVCC[3]	BBB-	Baa3(hyb)	Pfd-2	N/A
Trend/Outlook	Stable	Stable	Stable	Stable

Notes:

1 Subject to conversion under the Bail-in Regime.

2 Long Term Deposits / Legacy Senior Debt includes: (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the Bail-In Regime.

3 Non-viability contingent capital or NVCC.

See Appendix II of the 2022 AIF incorporated by reference into this Prospectus for an explanation of the credit ratings referred to above. Further information may be obtained from the applicable rating agency.

The credit ratings that external rating agencies assign to some of the Bank's securities are important in the raising of both capital and funding to support its business operations. Maintaining strong credit ratings allows the Bank to access the capital markets at competitive pricing levels. Should the Bank's credit ratings experience a downgrade, its cost of funds will likely increase and the Bank's access to funding and capital through capital markets could be reduced. A material downgrade of the Bank's ratings could have other consequences, including those set out in Note 8 of the 2022 Financial Statements and under the heading "Credit Ratings" in the Bank's Second Quarter 2023 Report.

Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. Credit ratings may not reflect the potential impact of all risks on the value of securities. In addition, real or anticipated changes in the rating assigned to a security will generally affect the market value of that security. The Bank cannot know for

certain that a rating will remain in effect for any given period of time or that a rating agency will not revise or withdraw it entirely in the future.

The Bank paid fees to credit agencies to obtain its credit ratings. The Bank may also pay fees for other services from credit agencies in the ordinary course of business.

Financial Summary

The information in the tables below has been extracted from the Bank's unaudited consolidated financial statements as at and for the six month period ended April 30, 2023 and the Bank's audited consolidated financial statements as at and for the year ended October 31, 2022 with comparative consolidated financial statements as at and for the year ended October 31, 2021, prepared in accordance with IFRS, as issued by the IASB, which are incorporated herein by reference together with the accompanying notes and auditor's report.

An audit opinion has not been expressed on individual balances of accounts or summaries of selected transactions in the tables below.

Condensed Consolidated Balance Sheet

	As at April 30, 2023*	As at October 31, 2022**	As at October 31, 2021
		(in millions of Canadian dollars)	
Assets			
Cash & Cash Equivalents	68,495	87,466	93,261
Interest Bearing Deposits with Banks	5,275	5,734	8,303
Securities	315,956	273,262	232,849
Securities Borrowed or Purchased under Resale Agreements	118,575	113,194	107,382
Loans (net of allowance for credit losses)	634,775	551,339	458,262
Other Assets	107,815	108,204	88,118
Total Assets	1,250,891	1,139,199	988,175
Liabilities			
Deposits	875,443	769,478	685,631

Other Liabilities	291,168	290,533	238,128
Subordinated Debt	8,195	8,150	6,893
Total Liabilities	1,174,806	1,068,161	930,652
Equity			
Common shares	22,062	17,744	13,599
Preferred shares and other equity instruments	6,958	6,308	5,558
Contributed surplus	327	317	313
Retained earnings	44,143	45,117	35,497
Accumulated other comprehensive income	2,576	1,552	2,556
Total Equity	76,085	71,038	57,523
Total Liabilities and Equity	1,250,891	1,139,199	988,175

* Unaudited.
** Certain comparative figures have been reclassified to conform with the current period's presentation.

Condensed Consolidated Statement of Income

	Year to date	Year ended	Year ended
	*April 30, 2023**	*October 31, 2022***	*October 31, 2021*
Net Interest Income	4,814	15,885	14,310
Non-Interest Revenue	3,626	17,825	12,876
Total Revenue	8,440	33,710	27,186
Provision for Credit Losses	1,023	313	20
Insurance Claims, Commissions and Changes in Policy Benefit Liabilities	591	(683)	1,399
Non-Interest Expense	5,573	16,194	15,509

	Year to date	Year ended	Year ended
	*April 30, 2023**	*October 31, 2022***	*October 31, 2021*
Provision for Income Taxes	194	4,349	2,504
Net Income	1,059	13,537	7,754
Attributable to:			
Bank Shareholders	1,056	13,537	7,754
Earnings per Share			
- Basic	1.31	20.04	11.60
- Diluted	1.30	19.99	11.58

* Unaudited.
** Certain comparative figures have been reclassified to conform with the current period's presentation.

Trend Information

Canada's economy is expected to post below-average growth of around 1.5% in 2023. Although economic activity remained surprisingly buoyant during the first half of the year, the economy is expected to undergo a mild contraction during the second half due to above-target inflation, high interest rates, and weakening global demand. Growth should resume in 2024 as inflation continues to moderate and interest rates begin to normalize. Although employment growth has remained solid, the unemployment rate has increased by almost half a percentage point this year to 5.4% in June, reflecting rapid population and labour force growth. The expected mild economic contraction is projected to raise the unemployment rate further to around 5.8% in December 2023, which will help to reduce wage and price pressures. The annual growth in the consumer price index has declined from a four-decade high of 8.1% last summer to 3.4% in May 2023. Although inflation is projected to moderate further to around 3% at year-end, this remains above the Bank of Canada's 2% target. After holding the overnight lending rate steady at 4.50% for two straight meetings, the Bank of Canada resumed rate hikes with a 25 bp increase in June and July, given the resilient economy and persistent price pressures. The Bank of Canada is expected to remain on hold for the rest of the year as the economy weakens, before beginning to cut rates in early 2024. Housing market activity and prices turned higher during the first half of 2023, in part due to steadier mortgage rates, but will likely remain restrained due to renewed rate hikes and still-challenging affordability. Industry-wide growth in residential mortgage balances has decelerated from more than 10% year-over-year in early 2022 to around 5% in April 2023 and will likely moderate somewhat further amid the muted housing market. Growth in consumer credit balances (excluding mortgages) has been restrained at around 3% year-over-year in recent months due to high interest rates and elevated household savings, and is expected to decelerate somewhat further as households curtail

spending. Non-financial corporate credit growth has also pulled back somewhat from recent highs amid higher interest rates, concern about economic prospects, and elevated cash balances.

The U.S. economy is also expected to register below-average growth of around 1.5% in 2023, with a resilient first half expected to give way to a mild contraction during the latter half of the year. High interest rates, above-target inflation, and a high-valued currency represent headwinds to economic activity, though household spending remains supported by elevated savings and rising employment. In addition, recent stress in the U.S. banking system is expected to lead to tighter lending conditions, thereby slowing credit growth, investment and overall spending. Housing market activity and prices have turned higher over the past few months following a year-long decline, but activity is expected to remain muted for the remainder of the year. The expected economic contraction will likely raise the unemployment rate from 3.6% in June 2023 to 4.5% in December, still low by historical standards. Lower energy prices and improved global supply chains have reduced annual growth in the consumer price index from 9.1% in mid-2022 to 3.0% in June 2023, but the rate is expected to decline more gradually ahead. The Federal reserve held policy rates steady in June 2023 after 500 bps of cumulative tightening, but with inflation still elevated, an additional 25 bp increase is expected in July. Subsequently, it is anticipated that policy rates will remain on hold for the remainder of 2023 and that the central bank will begin to lower rates in early 2024. Earlier strong growth in industry-wide residential mortgage balances has softened considerably as a result of the weaker housing market and will likely moderate further given the subdued level of housing activity. Consumer credit growth has also decelerated and is expected to slow further amid elevated interest rates, higher unemployment and slower consumer spending growth. Non-financial corporate credit growth has softened from its previously strong pace and will remain impeded by high interest rates, a weaker economy, and a drawing down of large deposit balances.

The economic outlook is subject to several risks that could lead to a more severe contraction of the North American economy. These include the persistence of high inflation leading to significant further increases in interest rates, further stress in the U.S. regional banking sector, an escalation of the conflict in Ukraine, and an increase in geopolitical tensions between the United States and China.

Directors

The Directors of the Bank, their function in the Bank and their other principal activities (if any) outside of the Bank of significance to the Bank are as follows:

Name and Municipality of Residence	Principal Activities
Janice M. Babiak, Franklin, Tennessee, U.S.A.	Corporate Director
Sophie Brochu, Bromont, Québec, Canada	President and Chief Executive Officer, Hydro-Quebec
Craig W. Broderick, Greenwich, Connecticut, U.S.A.	Corporate Director
George A. Cope, C.M., Toronto, Ontario, Canada	Chair of the Board, Bank of Montreal
Stephen Dent Toronto, Ontario, Canada	Managing Director and co-founder, Birch Hill Equity Partners, a private equity firm
Christine A. Edwards, Lake Forest, Illinois, U.S.A.	Corporate Director
Dr. Martin S. Eichenbaum, Glencoe, Illinois, U.S.A	Charles Moskos Professor of Economics, Northwestern University
David Harquail, Toronto, Ontario, Canada	Chair of the Board, Franco-Nevada Corporation, a royalty and streaming company active
Linda S. Huber, New York City, New York, U.S.A.	Chief Financial Officer, FactSet Research Systems Inc., a provider of financial information and analytical applications
Eric R. La Flèche, Montreal, Québec, Canada	President and Chief Executive Officer, Metro Inc., a food retailer and distributor
Lorraine Mitchelmore, Calgary, Alberta, Canada	Corporate Director
Madhu Ranganathan Saratoga, California, U.S.A.	Executive Vice President and Chief Financial Officer, OpenText Corporation, an information management software company
Darryl White, Toronto, Ontario, Canada	Chief Executive Officer of BMO Financial Group

The business address of all of the Directors is the executive offices of the Bank, 100 King Street West, 1 First Canadian Place, 21st Floor, Toronto, Ontario, Canada, M5X 1A1. No directors hold executive positions with the Bank other than as shown above.

As at the date of this Prospectus, there are no potential conflicts of interest between any duties owed to the Bank by the Directors and the private interests and/or other duties owed by these individuals. If a Director had a material interest in a matter being considered by the Board or its Committees, such Director would not participate in any discussions relating to, or any vote on, such matter.

Major Shareholders

To the extent known to the Bank, the Bank is not directly or indirectly owned or controlled by any person.

As discussed above under "*Bank of Montreal—General Bank Matters—Supervision and Regulation in Canada"*, the Bank Act prohibits any person from having a "significant interest" in any class of shares of the Bank, that is, from beneficially owning more than 10 per cent. of the outstanding shares of the class either directly or through controlled entities, without the approval of the Minister of Finance of Canada. A person may, with the approval of the Minister of Finance, beneficially own up to 20 per cent. of a class of voting shares and up to 30 per cent. of a class of non-voting shares of the Bank, subject to a "fit and proper" test based on the character and integrity of the applicant. In addition, the holder of such a significant interest could not have "control in fact" of the Bank.

Material Contracts

The Bank and its subsidiaries have not entered into any material contracts outside the ordinary course of the Bank's business which could materially affect the Bank's obligations in respect of any Notes to be issued by the Bank other than, with respect to any Notes, the contracts described in "Subscription and Sale" and in "Terms and Conditions of the Notes".

SUBSCRIPTION AND SALE

The Dealers have, in a Programme Agreement amended and restated as of July 14, 2023 (as further amended from time to time) (the "**Programme Agreement**"), agreed with the Bank 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 "Issue Procedures" and "Terms and Conditions of the Notes" above. In the Programme Agreement, the Bank has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme. The Bank has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement may be terminated in relation to all the Dealers or any of them by the Bank or, in relation to itself and the Bank only, by any Dealer, at any time on giving not less than 30 days' notice. The Programme Agreement also provides that the Bank may sell directly to third parties other than Dealers and that the obligation of any Dealer to subscribe for Notes under any such agreement is subject to certain conditions and that, in certain circumstances, a Dealer shall be entitled to be released and discharged from its obligations under any such agreement prior to the issue of the relevant Notes.

Persons into whose hands this Prospectus or any Final Terms or Drawdown Prospectus comes are required by the Bank, the Arrangers and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

The following is a description of the contractual and other restrictions applicable to the Programme:

Canada

While the Senior Notes that are principal protected are exempted from the prospectus requirement under the securities laws of any province or territory of Canada, the Principal At Risk Notes are not exempt and have not been and will not be qualified for sale under the securities laws of any province or territory of Canada. Each Dealer has represented and agreed, and each other Purchaser appointed under the Programme will be required to represent and agree that it has not offered, sold or distributed, and that it will not offer, sell or distribute, any Principal At Risk Notes (or, in the case of Senior Notes that are principal protected, if the applicable Final Terms specifies "Canadian Sales Not Permitted", such Senior Notes) directly or indirectly, in Canada or to, or for the benefit of, any resident thereof.

If the applicable Final Terms specify "Canadian Sales Permitted", each Dealer has represented and agreed, and each other Purchaser appointed under the Programme will be required to represent and agree, that it has offered, sold or distributed and that it will offer, sell or distribute any Notes, in Canada in compliance with the securities laws of Canada or any province or territory thereof.

If the applicable Final Terms specify "Canadian Sales not Permitted", each Dealer has represented and agreed, and each other Purchaser appointed under the Programme will be required to represent and agree, that it has not offered, sold or distributed, and that it will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to, or for the benefit of any resident thereof.

Each Dealer has agreed, and each other Purchaser appointed under the Programme will be required to agree, that it will not distribute or deliver this Prospectus, any Drawdown Prospectus or any other offering material relating to the Notes in Canada if the applicable Final Terms specify "Canadian Sales Not Permitted" or, if the applicable Final Terms specify "Canadian Sales Permitted", in contravention of the securities laws of Canada or any province or territory thereof.

United States

Regulation S, Compliance Category 2 will apply and TEFRA D will apply, unless TEFRA C Rules are specified as applicable or TEFRA Rules are specified as not applicable in the relevant Final Terms. The Notes are not eligible under Rule 144A of the Securities Act of 1933 as amended (the "**Securities Act**").

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

Notes in bearer form are subject to United States 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 United States tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations promulgated thereunder.

Each Purchaser will be required to agree that, except as permitted by the Programme Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche within the United States or to, or for the account or benefit of, United States persons except in accordance with Regulation S of the Securities Act, it will not engage in any directed selling efforts with respect to the Notes of any Tranche within the United States or to United States persons except in accordance with Regulation S of the Securities Act and it will have sent to each dealer to which it sells Notes during the 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, United States persons.

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

Each issuance of Exempt Notes which are also Index Linked Notes and Dual Currency Notes will be subject to such additional United States selling restrictions as the Bank and the relevant Purchaser(s) may agree, as specified in the applicable Pricing Supplement. Each Dealer will be required to agree that it will offer, sell or deliver such Exempt Notes only in compliance with such additional United States selling restrictions.

EEA – Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies the "**Prohibition of Sales to EEA Retail Investors**" as "Not Applicable", each Dealer has represented and agreed, and each other Purchaser appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended) where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the EU Prospectus Regulation (as defined below); and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies "**Prohibition of Sales to EEA Retail Investors**" is "Not Applicable" in relation to each Member State of the EEA, each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Member State of the EEA except that it may make an offer of such Notes to the public in that Member State of the EEA:

(a) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors, as defined in the EU Prospectus Regulation) subject to obtaining the prior consent of the relevant Purchaser or Purchasers nominated by the Bank for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation;

provided that no such offer of Notes referred to in (a) to (c) above shall require the Bank or any Purchaser to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

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

UK – Prohibition of Sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies "**Prohibition of Sales to UK Retail Investors**" as "Not Applicable", each Dealer has represented and agreed, and each other Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the "FSMA" and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended), where that

customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies "**Prohibition of Sales to UK Retail Investors**" as "Not Applicable", each Dealer has represented and agreed, and each other Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

(A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Bank for any such offer; or

(C) at any time in any other circumstances falling within section 86 of the FSMA,

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

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

UK – Other regulatory restrictions

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Bank was not an authorised person, apply to the Bank; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Belgium

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**"), and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

France

This Prospectus has not been submitted for clearance to *the Autorité des marchés financiers* in France.

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France (other than to qualified investors as described below), and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France (other than to qualified investors as described below), this Prospectus, the applicable Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall be made in France pursuant to Article L. 411-2 1° of the French *Code monétaire et financier* only to qualified investors (*investisseurs qualifiés*), other than individuals, as defined in Article 2 of the EU Prospectus Regulation and Article L.411-2 of the French Code *monétaire et financier*.

Republic of Italy

As of the date of this Prospectus, the Bank is not licensed to "collect deposits and other funds with the obligation to reimburse" in the Republic of Italy ("**Italy**") and therefore, each of the Bank and 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 offered, sold or delivered Notes, nor has it distributed copies of this Prospectus or any other document relating to the Notes in Italy and that no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Notes be distributed in Italy unless such licence has been obtained.

The Netherlands

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that it has not, directly or indirectly, offered or sold, and will not, directly or indirectly, offer or sell the Notes in The Netherlands, other than to Qualified Investors within the meaning of section 1:1 of the Act on the Financial Supervision (*Wet op het financieel toezicht*).

In addition to the above, if the Bank issues Zero Coupon Notes and these Zero Coupon Notes are offered in the Netherlands as part of their initial distribution or immediately thereafter:

(a) transfer and acceptance of such Zero Coupon Notes may only take place either by and between individuals not acting in the course of their profession or business or through the mediation of either a permit holder (*Toegelaten Instelling*) of Euronext Amsterdam N.V. or the Bank itself in accordance with the Savings Certificate Act of 21 May 1985 (*Wet inzake Spaarbewijzen*); and

(b) certain identification requirements in relation to the issue and transfer of, and payment on the Zero Coupon Notes have to be complied with pursuant to section 3a of the Savings Certificate Act;

Furthermore, unless such Zero Coupon Notes qualify as commercial paper or certificates of deposit and the transaction is carried out between professional lenders and borrowers:

(a) each transaction concerning such Zero Coupon Notes must be recorded in a transaction note, stating the name and address of the other party to the transaction, the nature of the transaction and details, including the number and serial number of the Zero Coupon Notes concerned;

(b) the obligations referred to under (a) above must be indicated on a legend printed on Zero Coupon Notes that are not listed on a stock market; and

(c) any reference to the words "to bearer" in any documents or advertisements in which a forthcoming offering of Zero Coupon Notes is publicly announced is prohibited.

For the purposes of this paragraph, "**Zero Coupon Notes**" are Notes to bearer in definitive form that constitute a claim for a fixed sum of money against the Bank and on which interest does not become due prior to maturity or on which no interest is due whatsoever.

Hong Kong

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that:

(a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes (except for Notes which are "structured products" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

No registration pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948 of Japan, as amended) (the "**FIEA**") has been made or will be made with respect to the Notes. Accordingly, each Dealer has represented and agreed, and each further Purchaser appointed under the Programme will be required to represent and agree, that it has not and 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 Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949 of Japan, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any 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.

Each Purchaser will be required to provide to the Bank any necessary information relating to Yen Notes (which should not include names of clients) so that the Bank or its designated agent may make any required reports to the Ministry of Finance of Japan.

The People's Republic of China

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that:

(a) the Notes are not being and may not be offered or sold, directly or indirectly, in the PRC (for such purpose, not including the Hong Kong and Macau Special Administrative Regions or Taiwan) except as permitted by the laws of the PRC;

(b) this Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in the PRC to any person to whom it is unlawful to make the offer or solicitation in the PRC;

(c) no action has been taken by the Bank or the Dealers which would permit a public offering of any Notes; and

(d) neither this Prospectus nor any advertisement or other offering material may be distributed or published in the PRC, except as permitted by the laws of the PRC.

Each purchaser shall be responsible for obtaining all relevant government regulatory approvals/licences, verification and/or registrations themselves, including, but not limited to, any which may be required from the relevant PRC authorities, and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or outbound investment regulations.

Singapore

Each Dealer has acknowledged, and each further Purchaser appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the MAS and the Notes will be offered pursuant to exemptions under the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**"). Accordingly, each Dealer has represented, warranted and agreed and each further Purchaser appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities–based Derivatives Contracts) Regulations 2018 of Singapore.

Unless otherwise stated in the applicable Final Terms in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS SFA Notice 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Banking Act deposit-taking restrictions

Notes denominated in Singapore dollars and issued to persons in Singapore by a person carrying on a deposit-taking business (whether in Singapore or elsewhere) with a maturity period of less than 12 months and a denomination of less than S$200,000 would be treated as deposits for the purposes of the Banking Act 1970 of Singapore (the "**Singapore Banking Act**"), unless the Notes are issued to certain persons, including either:

(a) an individual whose total net assets exceeds S$2,000,000 (or equivalent in foreign currency) at the time of subscription or whose income in the 12 months preceding the time of subscription exceeds S$300,000 (or equivalent in foreign currency); or

(b) a company whose net assets (as determined by the last audited balance sheet of the company) exceeds S$10,000,000 (or equivalent in foreign currency) at the time of subscription.

In addition, where Notes issued in Singapore dollars with a denomination of less than S$200,000 are not treated as deposits for the purposes of the Singapore Banking Act, certain additional information is required to be furnished to investors in Singapore by an issuer which is carrying on a deposit-taking business. In such case, please refer to the relevant Pricing Supplement in the case of Exempt Notes for such further information.

Switzerland

(a) Unless otherwise stated in the Pricing Supplement in respect of Exempt Notes and subject to paragraph (b), each of the Dealers has represented and agreed, and each other Purchaser will be required to represent and agree that (i) the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (as amended, the "**FinSA**"), (ii) no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland, (iii) neither this Prospectus nor any applicable Final Terms or, in the case of Exempt Notes, Pricing Supplement nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and (iv) neither this Prospectus nor any Final Terms or Pricing Supplement nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland; and

(b) The Bank and the relevant Dealer(s) may agree in respect of any Exempt Notes to be issued that (i) such Exempt Notes may be publicly offered in Switzerland within the meaning of the FinSA, and/or (ii) an application may be made by or on behalf of the Bank to admit such Exempt Notes on a trading venue (exchange or multilateral trading facility) in Switzerland, provided that the Bank and the relevant Dealer(s) comply with the applicable requirements of the FinSA in connection with such public offering and/or application for admission to trading, including, without limitation, any requirement to prepare and publish a prospectus in accordance with the FinSA and the listing rules of the relevant trading venue in Switzerland.

Taiwan

Each Dealer has agreed, and each other Purchaser will be required to agree, that the offering of the Notes has not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires registration with or approval of the Financial Supervisory Commission of Taiwan. Each Dealer has agreed, and each other Purchaser will be required to agree, that no person or entity in Taiwan has been authorised to offer or sell the Notes in Taiwan.

General

Each Dealer has agreed, and each other Purchaser will be required to agree that it will comply, to the best of its knowledge, in good faith and on reasonable grounds after making all reasonable investigation, with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus, any Final Terms or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Bank nor any other Purchaser shall have any responsibility therefor. No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Prospectus or any Final Terms, in any country or jurisdiction where action for that purpose is required.

The Programme Agreement provides that without prejudice to the obligations of the Dealers described in this "General" section, Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of changes in, or a change in the interpretation of, the relevant law, regulation or directive after the date hereof no longer be applicable. Any such modification may be set out in a supplement to this Prospectus or a Drawdown Prospectus, if appropriate.

Neither the Bank nor any of the Purchasers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

TAXATION

Canada

The following summary describes the principal Canadian federal income tax considerations generally applicable to a holder of Notes who acquires, as beneficial owner, Notes pursuant to this Prospectus or common shares of the Bank or any affiliate of the Bank on a Bail-in Conversion ("**Common Shares**"), and who, at all relevant times, for the purposes of the Income Tax Act (Canada) and the regulations thereunder (collectively, the "**Tax Act**") and any applicable income tax convention, (i) is not resident and is not deemed to be resident in Canada, (ii) deals at arm's length with the Bank, any issuer of Common Shares, and with any Canadian resident (or deemed Canadian resident) to whom the holder disposes of Notes, (iii) is not a "specified non-resident shareholder" of the Bank for purposes of subsection 18(5) of the Tax Act or a non-resident person not dealing at arm's length with a "specified shareholder" of the Bank for purposes of subsection 18(5) of the Tax Act, (iv) is not a "specified entity" as defined in proposals to amend the Tax Act on April 29, 2022 with respect to "hybrid mismatch arrangements", (v) does not use or hold Notes or Common Shares in or in the course of a business carried on or deemed to be carried on in Canada, (vi) is entitled to receive all payments made in respect of the Notes as beneficial owner, and (vii) is not an insurer that carries on an insurance business in Canada and elsewhere (a "**Non-resident Holder**").

This summary is based upon the provisions of the Tax Act in force on the date hereof and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice, whether by legislative, regulatory, administrative or judicial action, nor does it take into account provincial, territorial or foreign income tax legislation, which may differ from those discussed herein. Subsequent developments could have a material effect on the following description. This summary assumes that no interest paid on the Notes will be in respect of a debt or other obligation to pay an amount to a person with whom the Bank does not deal at arm's length, within the meaning of the Tax Act.

This summary is of a general nature only and is not exhaustive of all Canadian federal income tax considerations. It is not intended to be legal or tax advice to any particular holder, or in respect of any particular issuance of Notes, the terms and conditions of which will be material to the Canadian federal income tax considerations with respect thereto. The Canadian federal income tax considerations may be supplemented, amended and/or replaced in a Pricing Supplement, Final Terms, Drawdown Prospectus or a supplemental prospectus, based on the terms and conditions of the Notes issued pursuant to such Pricing Supplement, Final Terms, Drawdown Prospectus or supplemental prospectus, as the case may be. Accordingly, prospective purchasers of Notes should consult their own tax advisors with respect to their particular circumstances, and in any event where Notes are otherwise issued without disclosure of Canadian federal income tax considerations.

For purposes of the Tax Act, all amounts not otherwise expressed in Canadian dollars must be converted into Canadian dollars based on the single day exchange rate quoted by the Bank of Canada or such other rate that is acceptable to the Minister of National Revenue (Canada).

Interest paid or credited or deemed for purposes of the Tax Act to be paid or credited on a Note (including amounts on account or in lieu of payment of, or in satisfaction of, interest) to a Non-resident Holder will not be subject to Canadian non-resident withholding tax, unless any portion of such interest (other than on a "prescribed obligation" described below) is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class or series of shares of the capital stock of a corporation ("**Participating Debt Interest**"). A "prescribed obligation" is a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding which adjustment is determined by reference to a change in the purchasing power of money and no amount payable in respect thereof, other than an amount determined by reference to a change in the purchasing power of money, is contingent or dependent on the use of or production from property in Canada or is computed by reference to any of the criteria described in the definition of Participating Debt Interest. If any interest payable on a Note, or any portion of the principal amount of a Note in excess of its issue price, is to be calculated by reference to an index or formula, interest on the Note, together with any such portion of such principal, may be subject to Canadian non-resident withholding tax.

In the event that a Note which is not exempt from Canadian non-resident withholding tax under its terms is redeemed, cancelled, repurchased or purchased by the Bank or any other person resident or deemed to be resident in Canada from a Non-resident Holder or is otherwise assigned or transferred by a Non-resident Holder to a person resident or deemed to be resident in Canada for an amount which exceeds, generally, the issue price thereof, the excess may be deemed to be interest and may, together with any interest that has accrued on the Note to that time, be subject to Canadian non-resident withholding tax. Such excess will not be subject to such withholding tax if, in certain circumstances, the Note is considered an "excluded obligation" for purposes of the Tax Act. A Note will be an excluded obligation for this purpose if it is not an "indexed debt obligation" (defined below) and it was issued for an amount not less than 97 per cent. of the principal amount (as defined for the purposes of the Tax Act) of the Note, and the yield from which, expressed in terms of an annual rate (determined in accordance with the Tax Act) on the amount for which the Note was issued does not exceed 4/3 of the interest stipulated to be payable on the Note, expressed in terms of an annual rate on the outstanding principal amount from time to time. An "**indexed debt obligation**" is a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding that is determined by reference to a change in the purchasing power of money.

Generally, there are no other taxes on income (including taxable capital gains) payable by a Non-resident Holder on any interest, discount, or premium in respect of a Note or on the proceeds received by a Non-resident Holder on the disposition of a Note (including redemption, payment on maturity, Bail-in Conversion, cancellation, purchase or repurchase).

Dividends paid or credited, or deemed under the Tax Act to be paid or credited, on Common Shares of the Bank or of any affiliate of the Bank that is a Canadian resident corporation to a Non-resident Holder will generally be subject to Canadian non-resident withholding tax at the rate of 25 per cent. on the gross amount of such dividends unless the rate is reduced under the provisions of an applicable income tax treaty or convention between Canada and the country of residence of the Non-resident Holder.

A Non-resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realised on a disposition or deemed disposition of a Common Share unless the Common Share is or is deemed to be "taxable Canadian property" of the Non-resident Holder for the purposes of the Tax Act and the Non-resident Holder is not entitled to an exemption under an applicable income tax convention between Canada and the country in which the Non-resident Holder is resident.

United Kingdom

The comments below are of a general nature and are based on the Bank's understanding of current UK tax law (as applied in England and Wales) and published HM Revenue and Customs' practice (which may not be binding on HM Revenue and Customs) relating to certain aspects of UK taxation. They only describe the UK tax treatment in respect of the deduction of UK tax from interest (as that term is understood for UK tax purposes) on Notes and relate only to the position of persons who are the absolute beneficial owners of their Notes and Coupons and may not apply to certain classes of persons such as dealers and persons connected with the Bank, to whom special rules may apply. It does not apply to individuals, or where the income is deemed for tax purposes to be the income of any other person. It does not deal with any other UK tax implications of acquiring, holding or disposing of Notes. The UK tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the UK in respect of their acquisition, holding or disposal of Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain UK taxation aspects of payments in respect of the Notes.

Notes issued where the Branch of Account is not the Bank's London branch

Payments of interest on the Notes may be made without withholding or deduction on account of UK income tax provided the payments of interest on the Notes do not have a UK source.

If interest paid on the Notes does have a UK source then payments of interest on the Notes may also be made without withholding or deduction on account of UK income tax in the circumstances set out below under the heading "Notes issued where the Branch of Account is the Bank's London branch".

Notes issued where the Branch of Account is the Bank's London branch

The Bank, provided that it is and continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the "**Act**"), and provided that the interest on the Notes is and continues to be paid in the ordinary course of its business within the meaning of section 878 of the Act, will be entitled to make payments of interest without withholding or deduction for or on account of UK income tax.

Payments of interest on the Notes may also be made without deduction of or withholding on account of UK income tax provided that the Notes carry a right to interest and the Notes are and continue to be listed on a "recognised stock exchange", within the meaning of section 1005 of the Act or admitted to trading on a "multilateral trading facility" operated by a regulated recognised stock exchange (within the meaning of section 987 of the Act). The London Stock Exchange is a recognised stock exchange, and the ISM is a multilateral trading facility operated by a regulated recognised stock exchange for the purposes of section 987 of the Act. Notes 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 FSMA) and admitted to trading on the London Stock Exchange (which would include being admitted to trading on the London Stock Exchange Main Market). Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange" or admitted to trading on a "multilateral trading facility" operated by a regulated recognised stock exchange, interest on the Notes will be payable without withholding or deduction on account of UK income tax whether or not the Bank carries on a banking business in the UK and whether or not the interest is paid in the ordinary course of its business.

Interest on the Notes may also be paid without withholding or deduction on account of UK income tax where interest on the Notes is paid by a company (such as the Bank) and, at the time the payment is made, the Bank 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 UK 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 it is likely 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.

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

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a UK source on account of UK income tax at the basic rate (currently 20 per cent.), subject to any other available exemptions and reliefs: for example, 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 Bank following the making of a claim by the Noteholder 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).

Payments under the Notes may also in certain circumstances be paid subject to withholding or deduction on account of UK income tax if those payments are characterised as annual payments or as manufactured payments for UK tax purposes.

Singapore

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore, administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore ("**IRAS**") and the MAS (including the MAS Circular 08/2023) and in force as at the date of this Prospectus, and are subject to any changes in such laws, announcements, administrative guidelines or circulars, or the interpretation of those laws, announcements, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, announcements, guidelines and circulars are also subject to various interpretations and no assurance can be given that the relevant tax authorities or the courts will agree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Prospectus are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes (particularly structured Notes) and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant financial sector incentive(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. The statements also do not consider any specific facts or circumstances that may apply to any particular purchaser. Noteholders and prospective Noteholders are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arrangers, the Dealers and any other persons involved in the issue of the*

Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

1. Qualifying Debt Securities Scheme

If more than half of any Tranche of Notes issued under the Programme on or after the date of this Prospectus and on or before 31 December 2028 are distributed by specified licensed entities, that Tranche of Notes (the "**Relevant Notes**") would be qualifying debt securities ("**QDS**") for the purposes of the ITA pursuant to the MAS Circular 08/2023 and, subject to certain conditions having been fulfilled (including the furnishing of a return on debt securities to the MAS in respect of the Relevant Notes within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Qualifying Income**") from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10 per cent. (except for holders of the relevant financial sector incentive(s) who may be taxed at different rates).

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any of the Relevant Notes by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS (subject to certain conditions) under the ITA shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

However, notwithstanding the foregoing:

(a) if during the primary launch of the Relevant Notes, the Relevant Notes are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as "qualifying debt securities"; and

(b) even though the Relevant Notes are "qualifying debt securities", if at any time during the tenure of such Relevant Notes, 50 per cent. or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Notes held by:

    (i) any related party of the Issuer; or

    (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the concessionary rate of tax as described above.

The term "**related party**", in relation to a person ("**A**"), means any person (a) who directly or indirectly controls A, (b) who is being controlled directly or indirectly by A, or (c) who, together with A, is directly or indirectly under the control of a common person.

For the purposes of the ITA and/or this Singapore tax disclosure:

(a) "**break cost**" means, in relation to debt securities and QDS, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

(b) "**prepayment fee**" means, in relation to debt securities and QDS, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

(c) "**redemption premium**" means, in relation to debt securities and QDS, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

(d) "**specified licensed entities**" means the following entities:

(i) any bank or merchant bank licensed under the Banking Act 1970 of Singapore;

(ii) any finance company licensed under the Finance Companies Act 1967 of Singapore; or

(iii) an entity that holds a Capital Markets Services Licence under the Securities and Futures Act 2001 of Singapore to carry out the regulated activities – Advising on Corporate Finance or Dealing in Capital Markets Products – Securities.

In addition, pursuant to the MAS Circular 08/2023, with effect from 15 February 2023, the scope of Qualifying Income under the QDS scheme also includes all payments made by the issuer of the QDS on the redemption of the QDS upon their maturity or on the early redemption of the QDS. It is expected that the ITA will be amended to reflect a streamlined scope of "Qualifying Income" as contemplated in the MAS Circular 08/2023.

2. Gains on Disposal of Notes

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 ("**FRS 39**"), Financial Reporting Standard 109 - Financial Instruments ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 (Financial Instruments) ("**SFRS(I) 9**") (as the case may be) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on "*Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes*".

3. Adoption of FRS 39, FRS 109 OR SFRS(I) 9 Treatment for Singapore Income Tax Purposes

Section 34A of the ITA requires taxpayers who adopt or are required to adopt FRS 39 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 39, subject to certain exceptions provided in that section and certain "opt-out" provisions. The IRAS has also issued an e-tax guide entitled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement" to provide guidance on the Singapore income tax treatment of financial instruments.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who adopt or who are required to adopt FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions provided in that section. The IRAS has also issued an e-tax guide entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments (Second Edition)".

Holders of the Notes who may be subject to the tax treatment under the FRS 39 tax regime, FRS 109 tax regime or the SFRS(I) 9 tax regime should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

United States Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on (i) certain payments it makes ("**foreign passthru payments**", a term not yet defined) and (ii) dividend equivalent payments (as defined in Section 871(m) of the Code), in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Bank is a foreign financial institution for these purposes. A number of jurisdictions (including Canada and the UK) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction that complies with such IGA would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. The grandfathering date for (A) Notes that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) Notes that give rise to a dividend equivalent pursuant to Section 871(m) of the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents. However, if additional Notes (as described under "Terms and Conditions of the Notes - Further Issues") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

Section 871(m)

Section 871(m) of the Code treats a "dividend equivalent" payment as a dividend from sources within the United States that is generally subject to a 30 per cent. U.S. withholding tax which may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the IRS. A "dividend equivalent" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) or (ii). U.S. Treasury regulations issued under Section 871(m) and applicable guidance ("**Section 871(m) Regulations**") require withholding on certain non-U.S. holders of the Notes with respect to amounts treated as dividend equivalent payments. Under the Section 871(m) Regulations, only a Note that has an expected economic return sufficiently similar to that of the underlying U.S. security based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such security a "**Specified Note**"). Certain exceptions to this withholding requirement apply, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on a Specified Note or upon the date of maturity, lapse or other disposition of, the Specified Note. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Note, withholding generally will still be required even if the Specified Note does not provide for payments explicitly linked to dividends. Additionally, the Bank may withhold the full 30 per cent. tax on any payment on the Specified Notes in respect of any dividend equivalent arising with respect to such Specified Notes regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a non-U.S. holder is eligible for a reduced tax rate under an applicable tax treaty with the United States). A non-U.S. holder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the U.S. Internal Revenue Service. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all. If the Bank or any withholding agent determines that withholding is required, neither the Bank nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations will generally apply to Notes that meet the relevant tests and (a) for Notes that have a "delta" of one, are issued on or after January 1, 2017 and (b) for any other Notes, are issued on or after January 1, 2025. Delta is generally defined as the ratio of the change in the fair market value of a financial instrument to a small change in the fair market value of the number of shares of the underlying U.S. security. If the terms of a Note are subject to a "significant modification" (as defined for U.S. tax purposes), the Notes generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Note is a Specified Note. Similarly, if additional Notes of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Notes out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Notes are Specified Notes as the date of such subsequent sale or issuance. Consequently, a previously out of scope Note might be treated as a Specified Note following such modification or further issuance.

In addition, payments on the Specified Notes may be calculated by reference to dividends on underlying U.S. securities that are reinvested at a rate of 70 per cent. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Bank will be deemed to withhold, 30 per

cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities.

The Bank will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

The applicable Pricing Supplement will indicate whether the Bank has determined that Notes are Specified Notes and will specify contact details for obtaining additional information regarding the application of Section 871(m) to Notes. A non-U.S. holder of Specified Notes should expect to be subject to withholding in respect of any dividend-paying U.S. securities underlying those Notes. The Bank's determination is binding on non-U.S. holders of the Notes, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Notes linked to U.S. securities and their application to a specific issue of Notes may be uncertain.

Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Notes.

The Proposed Financial Transactions Tax

On February 14, 2013, the European Commission published a proposal (the "Commission's Proposal") for a Directive for a common financial transactions tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

Common Reporting Standard

Similar to sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, under the OECD initiative for the automatic exchange of information, many countries have committed to automatic exchange of information relating to accounts held by tax residents of signatory countries, using a common reporting standard.

Canada is one of over 90 countries that has signed the OECD's Multilateral Competent Authority Agreement and Common Reporting Standard ("**CRS**"), which provides for the implementation of the automatic exchange of tax information. On December 15, 2016, legislation to implement the CRS in

Canada was enacted, which, effective as of July 1, 2017, requires Canadian financial institutions to report certain information concerning certain investors resident in participating countries to the Canada Revenue Agency and to follow certain due diligence procedures. The Canada Revenue Agency then provides such information to the tax authorities in the applicable investors' countries of residence, where required under CRS. The UK Government has enacted legislation giving effect to the EU's implementation of CRS (contained in certain EU Council Directives) from January 1, 2016. Similar implementing legislation is expected to be introduced by other signatory countries to the CRS.

GENERAL INFORMATION

Authorisation

The Bank has obtained all necessary consents, approvals and authorisations for the establishment of the Programme and for the Bank to undertake and perform its obligations under the Programme Agreement and the Agency Agreement. The update of the Programme and issue and sale of notes and securities contemplated hereunder have been approved by resolutions of the Board of Directors of the Bank dated May 24, 2023.

Clearing Systems

The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The appropriate codes which will include the ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg or any other agreed clearing system (including SIX SIS AG) will be contained 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 is 1 Boulevard du Roi Albert II, B.1210, Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg.

No Material or Significant Change

Since October 31, 2022, the last day of the financial period in respect of which the most recent audited published consolidated financial statements of the Bank have been prepared, there has been no material adverse change in the prospects of the Bank and its subsidiaries taken as a whole.

Since April 30, 2023, the last day of the financial period in respect of which the most recent unaudited published interim consolidated financial statements of the Bank have been prepared, there has been no significant change in the financial performance or financial position of the Bank and its subsidiaries taken as a whole.

Legal and Arbitration Proceedings

There are no, nor have there been any governmental, legal or arbitration proceedings involving the Bank or any of its subsidiaries (including any such proceedings which are pending or threatened of which the Bank is aware) during the 12 months prior to the date of this Prospectus, which may have, or have had individually or in the aggregate, a significant effect on the financial position or profitability of the Bank or the Bank and its subsidiaries taken as a whole.

As disclosed in Note 24 on page 205 of the 2022 Financial Statements, the Bank and its subsidiaries are party to legal proceedings, including regulatory investigations, in the ordinary course of business. While there is inherent difficulty in predicting the outcome of these proceedings, the Bank does not expect the outcome of any of these proceedings, individually or in the aggregate, to have a significant effect on the consolidated financial position or the results of operations of the Bank.

Auditors

The consolidated financial statements of the Bank as at and for the year ended October 31, 2022, prepared in accordance with IFRS, were audited in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) by KPMG LLP, Chartered Professional Accountants, Licensed Public Accountants who expressed an unqualified opinion and an unmodified opinion thereon in their reports dated December 1, 2022. The address of KPMG LLP is set out on the last page hereof. KPMG LLP is independent with

respect to the Bank (and its related entities) and has no material interest in the Bank. KPMG LLP is on the register of third country audit entities kept by the UK Financial Reporting Council in accordance with the European Union Commission Decision of January 29, 2011 (Decision 2011/30/EU).

Documents Available for Inspection

For the period of 12 months following the date of this Prospectus and so long as any Notes remain outstanding, the following documents will, when published, be available for inspection:

(i) the Bank Act (being the charter of the Bank) and the by-laws of the Bank available at: https://www.bmo.com/main/about-bmo/corporate-governance/select-documents/;

(ii) this Prospectus and any supplements thereto (including the Final Terms for issues of listed Notes and the Pricing Supplement (in the case of Exempt Notes including ISM Notes)) (save that Pricing Supplements will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Bank or the Agent as to its holding of Notes and identity); and

(iii) any Drawdown Prospectus and any documents incorporated by reference therein (if any),

and copies thereof (and copies of the Agency Agreement) will also be available for inspection during normal business hours and upon reasonable notice at the specified office of the Agent in London, England and may be obtained from the Executive Offices of the Bank, 100 King Street West, 1 First Canadian Place, 11th Floor, Toronto, Ontario, Canada, M5X 1A1.

This Prospectus may also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html under the name of the Bank and the headline "Publication of Prospectus".

Listing of Notes

The Listing of Notes on the Official List will be expressed as a percentage of their nominal amount (excluding accrued interest). Any Tranche of Notes which is to be listed on the Official List and to trading on the Market or the ISM will be admitted separately upon submission of the applicable Final Terms or Pricing Supplement, subject to the issue of the relevant Global Note representing the Notes of that Tranche. The admission of the Programme in respect of such Notes to trading on the main market of the London Stock Exchange and the ISM is expected to be granted on or around July 14, 2023 for a period of 12 months.

Issue Price and Yield

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

The yield of each Tranche will be calculated on an annual or semi-annual basis using the relevant issue price at the relevant issue date. It is not an indication of future yield.

Post-issuance Information

The Bank does not intend to provide any post-issuance information in relation to any issue of Notes.

Legal Entity Identifier (LEI)

The Legal Entity Identifier (LEI) of the Bank is NQQ6HPCNCCU6TUTQYE16.

Other relationships

Certain of the Dealers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Bank and its affiliates in the ordinary course of business without regard to the Noteholders. Certain of the Dealers may from time to time also enter into swap and other derivative transactions with the Bank and its affiliates.

Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Bank or any of its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers without regard to the effect on the Bank's business or profitability, or to the Noteholders. Such investments and securities activities may involve securities and/or instruments of the Bank or the Bank's affiliates. Certain of the Dealers or their respective affiliates that have a lending relationship with the Bank routinely hedge their credit exposure to the Bank consistent with their customary risk management policies. Typically, such Dealers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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