Total loss-absorbing capacity instrument

Issuer	UBS Group AG[1]
Unique identifier	SEC Registered: US902613BB36 / 144A: US902613BA52 / Reg S: USH42097EJ27
Issue Date	18.04.2016
Currency	USD
Nominal (million)	2,000
Interest Rate	4.55%
Maturity Date	17.04.2026
Issuer Call; Optional Redemption Date(s)	n/a

[1] Originally issued by Credit Suisse Group Funding (Guernsey) Limited, which was substituted as issuer by Credit Suisse Group AG on 3 November 2020. Subsequently, on 12 June 2023, Credit Suisse Group AG merged into UBS Group AG and, by operation of law, UBS Group AG assumed Credit Suisse Group AG's obligations as issuer under the terms and conditions applicable to this total loss-absorbing capacity instrument. References to "the Company" and (where applicable) the "Guarantor" in the terms and conditions applicable to this instrument are to be read and construed as references to "UBS Group AG".

Documentation included in this PDF file:

Annex A	Description of notes in the offering memorandum dated 13.04.2016

Annex A

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DESCRIPTION OF NOTES

The following description is only a summary of certain terms of the Notes and the Indentures governing the Notes. We urge you to read the Notes and the applicable Indenture in their entirety because the Notes and the applicable Indenture, and not this summary, define your rights as a holder of the Notes. You may request a copy of the Notes and the applicable Indenture from us. See "Where You Can Find More Information; Documents Incorporated by Reference."

The Indentures will not be qualified under the Trust Indenture Act of 1939, as amended, which we refer to as the "TIA," except upon effectiveness of a registration statement with respect to the Notes. See "Registration Rights." By their terms, however, the Indentures will incorporate certain provisions of the TIA and, if an Exchange Offer is consummated or a resale Shelf Registration Statement is effective, will be subject to the TIA. The following summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all of the provisions of the applicable Indenture and those terms made a part of such Indenture by reference to the TIA as in effect on the date of the closing of the offering of the Notes. We provide our definitions for the capitalized terms in this section that we otherwise do not define at the end of the relevant subsection.

General

As used in this offering memorandum, "2026 Fixed Rate Notes" means the $2,000,000,000 4.550% Fixed Rate Senior Notes due 2026, "2021 Fixed Rate Notes" means the $1,500,000,000 3.450% Fixed Rate Senior Notes due 2021, which we, together with the 2026 Fixed Rate Notes, refer to as the "Fixed Rate Notes," and "Floating Rate Notes" means the $1,000,000,000 Floating Rate Senior Notes due 2021, which we, together with the Fixed Rate Notes, refer to as the "Notes," issued by Credit Suisse Group Funding (Guernsey) Limited, which we refer to as the "Issuer," and guaranteed by Credit Suisse Group AG, which we refer to as the "Guarantor," on a senior basis (as described below under "—The Guarantees") and authenticated and delivered by U.S. Bank National Association, as trustee, which we refer to herein as the "Trustee." The 2026 Fixed Rate Notes will be issued pursuant to an indenture to be dated as of April 18, 2016, which we refer to as the "2026 Fixed Rate Indenture," the 2021 Fixed Rate Notes will be issued pursuant to an indenture to be dated as of April 18, 2016, which we refer to as the "2021 Fixed Rate Indenture," and the Floating Rate Notes will be issued pursuant to an indenture to be dated as of April 18, 2016, which we refer to as the "Floating Rate Indenture," and, together with the 2026 Fixed Rate Indenture and the 2021 Fixed Rate Indenture, the "Indentures." Each Indenture will be entered into among the Issuer, the Guarantor and the Trustee. References herein to the Indentures refer to the 2026 Fixed Rate Indenture, 2021 Fixed Rate Indenture and the Floating Rate Indenture, as applicable. Although the 2026 Fixed Rate Notes, 2021 Fixed Rate Notes and the Floating Rate Notes will be issued under separate indentures, for purposes of this "Description of Notes," each is referred to herein as a series of Notes, and references herein to the Notes refer to each series of Notes, as applicable.

The 2026 Fixed Rate Notes are being issued in an aggregate principal amount of $2,000,000,000, the 2021 Fixed Rate Notes are being issued in an aggregate principal amount of $1,500,000,000, and the Floating Rate Notes are being issued in an aggregate principal amount of $1,000,000,000. The 2026 Fixed Rate Notes will mature on April 17, 2026, which we refer to as the "2026 Fixed Rate Maturity Date," the 2021 Fixed Rate Notes will mature on April 16, 2021, which we refer to as the "2021 Fixed Rate Maturity Date," and the Floating Rate Notes will mature on April 16, 2021, which we refer to as the "Floating Rate Maturity Date," and we refer to each of the 2026 Fixed Rate Maturity Date, 2021 Fixed Rate Maturity Date and the Floating Rate Maturity Date as a "Maturity Date." Except as otherwise specified, the Notes will mature at their par value.

The Notes will be issued in the form of fully registered Global Notes in denominations of $250,000 and integral multiples of $1,000 in excess thereof.

Application will be made to the SIX Swiss Exchange for listing of the Notes.

The Notes will constitute direct, unsecured and senior obligations of the Issuer and will rank *pari passu* with all other unsecured and unsubordinated obligations of the Issuer and without any preference among themselves. The 2026 Fixed Rate Notes, the 2021 Fixed Rate Notes and the Floating Rate Notes will rank *pari passu* with each other.

There is no sinking fund for the Notes.

Interest

Interest payments will equal the amount of interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or duly made available for payment (or from and including the date of issue, if no interest has been paid with respect to the Notes) to but excluding the relevant Interest Payment Date, applicable Maturity Date or redemption date, if any, as the case may be. Each such period in respect of which interest on the Notes is payable is an "Interest Period."

If the applicable Maturity Date for the Notes would fall on a day that is not a Business Day (as defined below), principal and interest otherwise payable on such date will be paid on the next succeeding Business Day with the same effect as if that following Business Day were the date on which the payment were due. The Issuer will not pay any additional interest as a result of the delay in payment. The term "Business Day" with respect to the Notes means (a) any day that is not a Saturday or Sunday and that is not a day on which banking institutions are generally authorized or obligated by law, regulation or executive order to close in The City of New York or in the City of Zurich or in Guernsey and (b) any day that is not a Saturday or Sunday and that is not a day on which banking institutions are generally authorized or obligated by law, regulation or executive order to close in any other place of payment with respect to the Notes.

Interest will be payable to the person in whose name a Note is registered at the close of business on the regular Record Date (as defined below) next preceding the related Interest Payment Date, except that:

(i) if the Issuer fails to pay the interest due on an Interest Payment Date, the defaulted interest will be paid to the person in whose name the Note is registered at the close of business on the Record Date the Issuer will establish for the payment of defaulted interest; and

(ii) interest payable at maturity, redemption or repayment will be payable to the person to whom principal shall be payable.

The "Record Date" for the Notes will be, for so long as the Notes are in the form of Global Notes, three Business Days prior to the relevant Interest Payment Date and, in the event that any Notes are not represented by one or more Global Notes, the fifteenth day (whether or not a Business Day) prior to the relevant Interest Payment Date.

Should the Swiss Resolution Authority order any Restructuring Protective Measures that result in the deferment of any payments of interest or principal when otherwise due and payable, such payments shall be deferred for the period for which the Swiss Resolution Authority requires any such deferment. If and to the extent that any such payments have not been subsequently written-down and cancelled or converted into equity of the Guarantor, following any such period, the Issuer will be required to pay any such principal and/or interest on the later of (i) the next Interest Payment Date and (ii) the date that is 15 Business Days after the date on which such period ends. Any such payments of deferred interest or deferred principal shall be made to holders in whose names the Notes are registered at the close of business on a special record date for the payment of such deferred interest and/or deferred principal. Each fixed date on which interest on the Notes is payable is an "Interest Payment Date."

Additional Interest may accrue on the Notes in certain circumstances pursuant to the Registration Rights Agreement. See "Registration Rights."

Fixed Rate Notes

Interest on the 2026 Fixed Rate Notes will begin to accrue on April 18, 2016 at a fixed rate of 4.550% per annum and will continue to accrue until the principal amount has been paid or made available for payment. The Issuer will pay interest on the 2026 Fixed Rate Notes on April 18 and October 18 of each year commencing on October 18, 2016 and on the 2026 Fixed Rate Maturity Date or redemption date, if any. Interest on the 2021 Fixed Rate Notes will begin to accrue on April 18, 2016 at a fixed rate of 3.450% per annum and will continue to accrue until the principal amount has been paid or made available for payment. The Issuer will pay interest on the 2021 Fixed Rate Notes on April 18 and October 18 of each year commencing on October 18, 2016 and on the 2021 Fixed Rate Maturity Date or redemption date, if any. Interest on the Fixed Rate Notes will be calculated on the basis of a 360-day year comprised of twelve 30-day months. If an Interest Payment Date (including any redemption date) for the Fixed Rate Notes would fall on a day that is not a Business Day, interest otherwise payable on such date will be paid on the next succeeding Business Day with the same effect as if that following Business Day were the date on which the payment were due.

Floating Rate Notes

The interest rate per annum on the Floating Rate Notes will reset quarterly and will be equal to three-month LIBOR plus 2.29% as described herein. Interest on the Floating Rate Notes will begin to accrue on April 18, 2016 and will continue to accrue until the principal amount has been paid or made available for payment. The Issuer will pay interest on the Floating Rate Notes on January 18, April 18, July 18 and October 18 of each year commencing on July 18, 2016 and on the Maturity Date or redemption date, if any.

The Floating Rate Notes will bear interest for each Interest Period at a rate per annum determined by the Calculation Agent in the manner described herein subject to the maximum rate permitted by New York law, as such law may be modified by United States law of general application. The per annum rate at which interest on the Floating Rate Notes will be payable during each Interest Period will be equal to three-month LIBOR on the interest determination date for that Interest Period, determined in the manner described below, plus 2.29%.

"three-month LIBOR" means, with respect to any Interest Period for the Floating Rate Notes, the rate for deposits in dollars having maturities of three months commencing on the first day of the relevant Interest Period, which appears on the Designated LIBOR Page, or a successor reporter of such rates selected by the Calculation Agent and acceptable to us, as of approximately 11:00 a.m., London time, on the relevant interest determination date. If such rate does not so appear on the Designated LIBOR Page as of approximately 11:00 a.m., London time, on an interest determination date, the rate in respect of such Interest Period will be determined on the basis of the rates at which deposits in dollars are offered by four major reference banks (which may include any underwriters, agents or their affiliates) in the London interbank market selected and identified by the Calculation Agent (after consultation with us) as applicable at approximately 11:00 a.m., London time, on the relevant interest determination date to prime banks in the London interbank market for a period of three months commencing on the first day of the relevant Interest Period and in a principal amount that is representative for a single transaction in dollars in such market at such time. In such case, the Calculation Agent will request the principal London office at each of such major banks to provide a quotation of such rate. If at least two rate quotations are provided in respect of such Interest Period, three-month LIBOR for that Interest Period will be the arithmetic mean of such quotations. If fewer than two quotations are provided as requested in respect of such Interest Period, three-month LIBOR for that Interest Period will be the arithmetic mean of the rates quoted by three major reference banks

(which may include any underwriters, agents or their affiliates) in New York, New York, selected by the Calculation Agent (after consultation with us) as applicable, at approximately 11:00 a.m., New York time, on the relevant interest determination date for loans in dollars to leading European banks for a period of three months commencing on the first day of the relevant Interest Period and in a principal amount that is representative for a single transaction in dollars in such market at such time; *provided, however*, that if fewer than three reference banks so selected by the Calculation Agent as applicable to provide quotations are quoting such rates as described above, three-month LIBOR for such Interest Period will be the same as three-month LIBOR as determined for the previous Interest Period.

"Calculation Agent" means U.S. Bank National Association, or its successor appointed by us, acting as calculation agent.

"Designated LIBOR Page" means the display on LIBOR01 of Reuters (or any successor service) for the purpose of displaying the London interbank offered rates of major banks for dollars (or such other page as may replace that page on that service (or any successor service) for the purpose of displaying such rates).

An "interest determination date" means, in respect of any Interest Period for the Floating Rate Notes, the second London Business Day (as defined below) before the relevant Interest Period begins. Interest on the Floating Rate Notes will be calculated by multiplying the aggregate principal amount of Floating Rate Notes by an accrued interest factor. The accrued interest factor will be computed by adding the interest factor calculated for each day in the relevant Interest Period. The interest factor for each such day will be computed by dividing the interest rate applicable to such day (determined in the manner described above) by 360.

"*London Business Day*" means any day that is both a Business Day and a day on which dealings in deposits in dollars are transacted, or with respect to any future date are expected to be transacted, in the London interbank market.

With respect to the Floating Rate Notes, promptly upon the first day of each Interest Period, the Calculation Agent will notify us and, if the Trustee is not then serving as the Calculation Agent, the Trustee, of the interest rate for the new Interest Period. Upon request of the holder, the Calculation Agent will disclose the interest rate in effect for the Floating Rate Notes for such Interest Period. The interest rate determined by the Calculation Agent, absent manifest error, shall be binding and conclusive upon us, the beneficial owners and holders of the Floating Rate Notes and the Trustee.

If an Interest Payment Date (other than the Maturity Date but including any redemption date) for the Floating Rate Notes would fall on a day that is not a Business Day, such Interest Payment Date (or any redemption date) shall be the following day that is a Business Day, and interest shall accrue, and be payable with respect to such payment for the period from the originally-scheduled Interest Payment Date (or any redemption date) to such following Business Day, except that if such next Business Day falls in the next calendar month, the Interest Payment Date (or any redemption date) shall be the immediately preceding day that is a Business Day and interest shall accrue to, and be payable on, such preceding Business Day.

All percentages resulting from any calculation on the Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five one millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545)) would be rounded up to 9.87655 (or .0987655)), and all dollar amounts used in or resulting from such calculation on the Floating Rate Notes will be rounded to the nearest cent (with one-half cent being rounded upward).

The Guarantees

The 2026 Fixed Rate Notes are fully and unconditionally guaranteed by the Guarantor on an unsubordinated basis, which we refer to as the "2026 Fixed Rate Guarantee," the 2021 Fixed Rate

Notes are fully and unconditionally guaranteed by the Guarantor on an unsubordinated basis, which we refer to as the "2021 Fixed Rate Guarantee," and the Floating Rate Notes are fully and unconditionally guaranteed by the Guarantor on an unsubordinated basis, which we refer to as the "Floating Rate Guarantee" and, together with the 2026 Fixed Rate Guarantee and the 2021 Fixed Rate Guarantee, the "Guarantees," except that the 2026 Fixed Rate Guarantee, the 2021 Fixed Rate Guarantee or the Floating Rate Guarantee will cease to exist upon the occurrence of any Issuer Substitution pursuant to which the Guarantor will be substituted for the Issuer for all purposes under the 2026 Fixed Rate Notes, the 2021 Fixed Rate Notes or Floating Rate Notes, respectively. If, for any reason, the Issuer does not make any required payment of principal, premium, if any, of, and interest, if any, on the Notes of any series when due, whether on the normal due date, on acceleration, redemption or otherwise, the Guarantor will cause the payment to be made to, or to the order of, the Trustee. The holders of the Notes are entitled to payment under the applicable Guarantee by the Guarantor without taking any action whatsoever against the Issuer.

The Guarantees to be included on the Notes will state in full:

For value received, Credit Suisse Group AG, a company organized under the laws of Switzerland, having its principal executive offices at Paradeplatz 8, CH 8001, Zurich, Switzerland (herein called the "Guarantor," which term includes any Person who is a successor Guarantor under the Indenture referred to in the Security upon which this Guarantee is endorsed), hereby fully and unconditionally guarantees to the Holder of the Security upon which this Guarantee is endorsed and to the Trustee in its individual capacity and on behalf of each such Holder, the due and punctual payment of the Principal of and interest on (and any other sums from time to time expressed to be payable by the Company in respect of) such Security and the Indenture when and as the same shall become due and payable, whether on the Maturity Date, by declaration of acceleration, where applicable, call for redemption or otherwise, according to the terms thereof and of the Indenture referred to therein. The Guarantee will not be discharged, except (i) by payment in full of the principal of (and premium, if any) and interest on such Security and any other amount due and owing under the Indenture or (ii) upon the substitution of the Guarantor for the Company for all purposes under the Securities. In case of the failure of Credit Suisse Group Funding (Guernsey) Limited (herein called the "Company", which term includes any successor Person under the Indenture), to punctually make any such payment of Principal or interest or other amount, the Guarantor hereby agrees to cause any such payment to be made as soon as reasonably possible when and as the same shall become due and payable, whether on the Maturity Date or by declaration of acceleration, call for redemption or otherwise, and as if such payment were made by the Company, if applicable, in each case according to the terms thereof and of the Indenture referred to therein.

The Guarantee will rank *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor.

The Guarantor hereby agrees that its obligations hereunder shall be as if it were the principal debtor and not merely surety, and shall be absolute and unconditional, irrespective of, and shall be unaffected by, any invalidity, irregularity or unenforceability of such Security or the Indenture, any failure to enforce the provisions of such Security or the Indenture, or any waiver, modification or indulgence granted to the Company with respect thereto, by the Holder of such Security or the Trustee or any other circumstance which may otherwise constitute a legal or equitable discharge of a surety or guarantor; provided, however, that, notwithstanding the foregoing, no such waiver, modification or indulgence shall, without the consent of the Guarantor, increase the Principal amount of such Security, or increase the interest rate thereon, or alter the Maturity Date thereof, unless so required by the Swiss Resolution Authority. The Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the indebtedness evidenced thereby or required under such Security and all demands whatsoever, and covenants that this Guarantee will not be discharged except by payment in full of the Principal of and interest on such Security. This Guarantee is a guarantee of payment and not of collection.

The Guarantor shall be subrogated to all rights of the Holder of such Security and the Trustee against the Company in respect of any amounts paid to such Holder by the Guarantor pursuant to the provisions of this Guarantee; provided, however, that the Guarantor shall not be entitled to enforce, or to receive any payments arising out of or based upon such right of subrogation until the Principal of and interest on all Securities issued under the Indenture shall have been paid in full.

No reference herein to the Indenture and no provision of this Guarantee or of the Indenture shall alter or impair the guarantees of the Guarantor which are absolute and unconditional, of the due and punctual payment of all amounts due under the Indenture and of the Principal of and interest on, the Security upon which this Guarantee is endorsed, according to the terms thereof and of the Indenture referred to therein.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication of such Security shall have been manually executed by or on behalf of the Trustee under the Indenture.

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The laws of the State of New York (without regard to conflicts of laws principles thereof) shall govern this Guarantee.

Further Issues

The Issuer may from time to time, without notice to or the consent of the holders of the Notes, create and issue further notes having the same terms and ranking *pari passu* with the 2026 Fixed Rate Notes, the 2021 Fixed Rate Notes or the Floating Rate Notes, as applicable, offered by this offering memorandum in all respects (or the same terms in all respects except for issue dates, public offering prices, initial Interest Payment Dates and initial interest accrual dates). Such further notes will be consolidated and form a single issue with the 2026 Fixed Rate Notes, the 2021 Fixed Rate Notes or the Floating Rate Notes, as applicable, being offered by this offering memorandum and will, except as aforesaid, have the same terms as to status, redemption or otherwise as the 2026 Fixed Rate Notes, the 2021 Fixed Rate Notes or the Floating Rate Notes, as applicable, being offered by this offering memorandum, and payments on such further notes in liquidation will be made on a *pro rata* basis; provided, however, that any further notes that have the same CUSIP, ISIN or other identifying number as the Notes offered by this offering memorandum shall be issued either in a "qualified reopening" for U.S. federal income tax purposes or otherwise as part of the same "issue" for U.S. federal income tax purposes.

Agreement with Respect to the Exercise of Swiss Resolution Power and the Ordering of Restructuring Protective Measures

By its acquisition of the Notes, each holder of the Notes (including each beneficial owner) acknowledges, agrees to be bound by, and consents to the exercise of, any Swiss Resolution Power with respect to the Guarantor that results in the write-down and cancellation and/or conversion into equity of the Guarantor of the entire, or a portion of the, principal amount of, and/or accrued interest on, the Notes, irrespective of whether such amounts have already become due and payable prior to such action. By its acquisition of the Notes, each such holder (including each beneficial owner) further acknowledges, agrees to be bound by, and consents to the ordering of any Restructuring Protective Measures that result in the deferment of payment of principal and/or interest under the Notes. By its acquisition of the Notes, each holder of Notes (including each beneficial owner) further acknowledges, agrees and consents that its rights are subject to, and, if necessary, will be altered without such holder's or owner's consent, including by means of an amendment or modification to the terms of the applicable

Indenture or of the Notes so as to give effect to any such exercise of the Swiss Resolution Power or any such ordering of Restructuring Protective Measures. For the avoidance of doubt, this acknowledgement, agreement and consent does not qualify as a waiver of the rights, procedural or otherwise, existing for creditors generally, and the holder of Notes specifically, under the applicable banking regulation pursuant to which any Swiss Resolution Power is exercised.

In this offering memorandum, a "Swiss Resolution Power" means any statutory power of the Swiss Resolution Authority that it may exercise during Restructuring Proceedings as set forth in article 28 et seq. of the Swiss Federal Act of November 8, 1934, on Banks and Savings Banks, as may be amended from time to time (referred to herein as the "Swiss Banking Act") and article 40 et seq. of the Ordinance of August 30, 2012 of the Swiss Financial Market Supervisory Authority FINMA on the Insolvency of Banks and Securities Dealers, as may be amended from time to time (referred to herein as the "Swiss Banking Insolvency Ordinance"), or in any successor Swiss law or regulation or analogous Swiss law or regulation applicable to bank holding companies in Switzerland such as the Guarantor, including, without limitation, the power to (a) transfer the assets of the entity subject to such Restructuring Proceedings, or portions thereof, together with such entity's debt and other liabilities, or portions thereof, and contracts, to another entity, (b) stay (for a maximum of two business days) the termination of, and the exercise of rights to terminate, netting rights, rights to enforce or dispose of certain types of collateral or rights to transfer claims, liabilities or certain collateral, under contracts to which the entity subject to such Restructuring Proceedings is a party, (c) convert the debt of the entity subject to such Restructuring Proceedings into equity, and/or (d) partially or fully write-down the obligations of the entity subject to such Restructuring Proceedings. A "Protective Measure" means any protective measure that the Swiss Resolution Authority may order pursuant to any statutory power set forth in article 26 of the Swiss Banking Act, or in any successor Swiss law or regulation or analogous Swiss law or regulation applicable to bank holding companies in Switzerland such as the Guarantor, including, without limitation, (a) giving instructions to the governing bodies, (b) appointing an investigator of the respective entity, (c) stripping governing bodies of their power to legally represent the respective entity or remove them from office, (d) removing the regulatory or company-law audit firm from office, (e) limiting the respective entity's business activities, (f) forbidding the respective entity to make or accept payments or undertake security trades, (g) closing down the respective entity, or (h) except for with respect to mortgage-secured receivables of central mortgage bond institutions, ordering a moratorium or deferral of payments.

"Restructuring Protective Measures" means any Protective Measures ordered by the Swiss Resolution Authority with respect to the Guarantor that are ordered or confirmed upon the opening of or during any Guarantor Restructuring Proceedings. "Non-Restructuring Protective Measures" means any Protective Measures ordered by the Swiss Resolution Authority with respect to the Guarantor that are ordered outside of and independently of any Guarantor Restructuring Proceedings. "Swiss Resolution Authority" means FINMA or other authority in Switzerland that is competent under Swiss law to exercise a Swiss Resolution Power or to order Protective Measures at the relevant time, and "FINMA" means the Swiss Financial Market Supervisory Authority FINMA and any successor thereto. "Restructuring Proceedings" means restructuring proceedings within the meaning of article 28 et seq. of the Swiss Banking Act, and article 40 et seq. of the Swiss Banking Insolvency Ordinance, or any successor Swiss law or regulation or analogous Swiss law or regulation applicable to banks or bank holding companies in Switzerland such as the Guarantor.

By its acquisition of Notes, each holder of Notes (including each beneficial owner) waives any and all claims, in law and/or in equity, against the Trustee for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee shall not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with (i) any Guarantor Restructuring Event, (ii) the exercise of any Swiss Resolution Power with respect to the Guarantor that requires or results in any write-down and cancellation and/or conversion into equity of the Guarantor of the entire, or a

portion of, the Principal of, and/or accrued interest on, the Notes, (iii) the ordering of any Restructuring Protective Measures that require or result in the deferment of payment of Principal and/or Interest under the Notes or (iv) any consequences resulting from any of the foregoing. Additionally, by its acquisition of the Notes, each holder of the Notes (including each beneficial owner) will acknowledge, agree and consent that (a) upon the exercise of any Swiss Resolution Power with respect to the Guarantor or the ordering of any Restructuring Protective Measures, (i) the Trustee will not take any further directions from the holders under Section 7.05 (*Control by Majority*) of the applicable Indenture, which section authorizes holders of a majority in aggregate outstanding principal amount of the Notes to direct certain actions relating to the Notes, and that any such direction given prior to the exercise of any Swiss Resolution Power with respect to the Guarantor or the ordering of any Restructuring Protective Measures shall thereafter be deemed null and void, and (ii) the Indenture and the Notes issued thereunder will not impose any duties, liability, cost or expense upon the Trustee whatsoever with respect to the exercise of any such Swiss Resolution Power or the ordering of any Restructuring Protective Measures and (b) neither a Guarantor Restructuring Event, nor the exercise of any Swiss Resolution Power with respect to the Guarantor that requires or results in any write-down and cancellation and/or conversion into equity of the Guarantor of the entire, or a portion of, the principal amount of, and/or accrued interest on, the Notes, nor the ordering of any Restructuring Protective Measures that require or result in the deferment of payment of principal and/or interest under the Notes nor any consequences resulting from any of the foregoing shall give rise to a Default or Event of Default under the applicable Indenture, including, without limitation, for purposes of Section 315(b) and Section 315(c) under the TIA. By its acquisition of the Notes, each holder or beneficial owner of Notes that acquires its Notes in the secondary market shall be deemed to acknowledge, agree to be bound by and consent to the same matters specified herein as the holders and beneficial owners of the Notes that acquire the Notes upon initial issuance, including, without limitation, with respect to the acknowledgment and agreement to be bound by and consent to the terms of the Notes relating to the Swiss Resolution Power and any Restructuring Protective Measures. By its purchase of the Notes, each holder and beneficial owner of Notes shall be deemed to have (i) consented to the exercise of any Swiss Resolution Power with respect to the Guarantor that requires or results in any write-down and cancellation and/or conversion into equity of the Guarantor of the entire, or a portion of, the principal amount of, and/or accrued interest on, the Notes and the ordering of any Restructuring Protective Measures that require or result in the deferment of payment of principal and/or interest under the Notes as such Swiss Resolution Power or Restructuring Protective Measure as it may be imposed without any prior notice by the Swiss Resolution Authority of its decision to exercise such power or order such Restructuring Protective Measure and (ii) authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement any such exercise of Swiss Resolution Power or ordering of any Restructuring Protective Measures, without any further action or direction on the part of such holder or beneficial owner. No repayment of the principal of the Notes or payment of interest on the Notes shall become due and payable after the exercise of any Swiss Resolution Power with respect to the Guarantor that results in the write-down and cancellation and/or conversion into the equity of the Guarantor of the entire, or a portion of, the Principal and/or accrued but unpaid interest on, the Notes, or the ordering of any Restructuring Protective Measures that required or result in the deferment of payment of Principal and/or interest under the Notes, unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Guarantor under the Swiss laws, regulations and orders applicable to the Guarantor; provided that the Trustee shall not be liable for any payments it makes until a Responsible Officer of the Trustee has actual knowledge of any such exercise of any Swiss Resolution Power or any such ordering of any Restructuring Protective Measures.

Notwithstanding anything herein to the contrary, so long as any Notes of any series remain outstanding (including, for example, if the exercise of the Swiss Resolution Power results in only a

partial write-down and/or conversion of the principal of the Notes), then the Trustee's duties and rights under the applicable Indenture will remain applicable with respect to such Notes.

The Issuer's and the Guarantor's obligation to indemnify the Trustee in accordance with Section 8.07 of the applicable Indenture will survive the exercise of the Swiss Resolution Power with respect to the Notes. However, if and to the extent such obligation has already accrued as a liability of the Guarantor, it may be written-down and cancelled and/or converted into equity of the Guarantor as a result of an exercise of the Swiss Resolution Power or its payment deferred as a result of the ordering of any Restructuring Protective Measures.

Waiver of Set-Off

By its acquisition of Notes, each holder of Notes (including each beneficial owner) will be deemed to have waived any right of set-off, compensation or retention, or in respect of such other netting arrangement in respect of any amount with respect to the Notes or the applicable Indenture that they might otherwise have against the Issuer or the Guarantor, whether before or during their respective Restructuring Proceedings or winding up of the Issuer or the Guarantor.

Issuer Substitution

The Issuer may, without consent of the holders or the Trustee (which consent the holders and beneficial owners of the Notes shall be deemed to have given by their acquisition of the Notes), substitute the Guarantor for itself for all purposes under the Notes of any series and the applicable Indenture at any time, provided that at such time interest on the Notes of such series may be paid without the deduction by the Guarantor of Swiss withholding tax. The occurrence of any such substitution is referred to herein as a "Voluntary Issuer Substitution." Upon any such Voluntary Issuer Substitution, the Issuer shall be released from its obligations under the relevant series of Notes and the applicable Indenture, and the Guarantor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the relevant series of Notes and the applicable Indenture with the same effect as if the Guarantor had been named as issuer under the applicable Indenture and the relevant series of Notes. In the event of such a Voluntary Issuer Substitution, the relevant Guarantee shall cease to exist. In connection with any such Voluntary Issuer Substitution, the applicable Indenture shall be amended in order to give effect to and evidence such substitution and the Guarantor shall furnish the Trustee with an officers' certificate and an opinion of counsel to the effect that all conditions precedent to such substitution provided for in the applicable Indenture have been complied with. The Issuer agrees to take any and all necessary action to effectuate any Voluntary Issuer Substitution with DTC or any other appropriate clearing system.

Whether or not interest on Notes may be paid without the deduction by the Guarantor of Swiss withholding tax, and provided that a Voluntary Issuer Substitution has not previously occurred, the Issuer will, without the consent of the holders or the Trustee (which consent the holders and beneficial owners of the Notes shall be deemed to have given by their acquisition of the Notes), automatically and, by operation of the terms of the applicable Indenture, substitute the Guarantor for itself as for all purposes under the Notes and the Indentures upon the occurrence of a Restructuring Event, such substitution referred to herein as "Restructuring Issuer Substitution" and, together with Voluntary Issuer Substitution, as "Issuer Substitution." The Guarantor consents in all respects to any Restructuring Issuer Substitution. Upon any such Restructuring Issuer Substitution, the Issuer shall be released from its obligations under the Notes and the Indentures, and the Guarantor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Notes and the Indentures with the same effect as if the Guarantor had been named as issuer under the Indentures and the Notes. In the event of such Restructuring Issuer Substitution, the relevant Guarantee shall cease to exist. The Issuer agrees to take any and all necessary action to effectuate any Restructuring Issuer Substitution with the appropriate clearing system.

"Restructuring Event" refers to a Bank Restructuring Event or a Guarantor Restructuring Event, as applicable. A "Guarantor Restructuring Event" shall be deemed to have occurred upon the opening of Restructuring Proceedings by the Swiss Resolution Authority with respect to the Guarantor, referred to herein as "Guarantor Restructuring Proceedings." A "Bank Restructuring Event" shall be deemed to have occurred upon the opening of Restructuring Proceedings by the Swiss Resolution Authority with respect to Credit Suisse, referred to herein as "Bank Restructuring Proceedings."

Upon the occurrence of (i) a Restructuring Event, (ii) a Voluntary Issuer Substitution, (iii) a Restructuring Issuer Substitution, (iv) the exercise of Swiss Resolution Power that affects, or may affect, the Notes or (v) the ordering of any Restructuring Protective Measures that affects, or may affect, the Notes, the Issuer or the Guarantor shall provide a written notice to the holders through DTC as soon as practicable regarding the occurrence of such an event for purposes of notifying holders of such occurrence. The Issuer or the Guarantor shall also deliver a copy of such notice to the Trustee for information purposes.

Exchange Following a Completion Event

Upon the occurrence of a Completion Event (as defined below), if and to the extent (a) the Notes of any series have not been fully written-down and/or converted into equity of the Guarantor and (b) the Guarantor is or would be required to deduct Swiss withholding tax from interest payments on such Notes under Swiss laws in effect at such time (as promptly notified to the Trustee by the Guarantor), then the Guarantor will mandatorily exchange the Notes of such series in full for a like principal amount of New Notes on a one-for-one basis, by (i) redeeming the Notes of the relevant series by delivering New Notes in lieu of cash to the Trustee on behalf of the holders and (ii) paying to the Trustee on behalf of the holders in cash any accrued and unpaid interest on the Notes of the relevant series up to (and including) the date immediately prior to the date of such exchange (for the avoidance of doubt, to the extent that such interest has not been written-down and cancelled or converted into equity of the Guarantor in connection with the relevant Guarantor Restructuring Proceedings) in each case on the date specified therefor in the Completion Event Notice (as defined below), which we refer to as a "Post-Restructuring Exchange." Interest on the New Notes will accrue from and including the date on which the Post-Restructuring Exchange takes place, as the issue date of the New Notes. Receipt by the Trustee of the relevant amount of New Notes in exchange for the outstanding Notes of the relevant series and the required cash payment, if any, from the Guarantor will constitute good and complete discharge of the Guarantor's obligations in respect of redemption or repayment of the relevant series of Notes. Notwithstanding the foregoing, if at the time of the Completion Event, the Guarantor is not and will not be required to deduct Swiss withholding tax from interest payments on the Notes under Swiss laws in effect at such time (as promptly notified to the Trustee by the Guarantor), the Guarantor may, but will not be required to, exchange the Notes pursuant to a Post-Restructuring Exchange. In the case of a Post-Restructuring Exchange, the Trustee will promptly deliver to the holders (i) the New Notes and (ii) payment in cash of any accrued and unpaid interest, if any, on the Notes to, but excluding, the date of such exchange (but only to the extent that such interest has not been written-down and cancelled or converted into equity of the Guarantor in connection with the relevant Guarantor Restructuring Proceedings).

A "Completion Event" means, following a Restructuring Event, the publication of the notice by the Swiss Resolution Authority that the Guarantor Restructuring Proceedings have been completed; provided, however, that if the Restructuring Event occurred as a result of Bank Restructuring Proceedings only, and no Guarantor Restructuring Event has since occurred, then Completion Event means the publication of the notice by the Swiss Resolution Authority that the Bank Restructuring Proceedings have been completed (the Issuer agreeing to provide a copy of any notice referred to in this definition directly to DTC with an informational copy to the Trustee).

"New Notes" means, with respect to each series of Notes, notes (a) to be issued by the Issuer, with the benefit of a guarantee issued by the Guarantor on similar terms as the applicable Guarantee, (b) otherwise having the same terms of the relevant series of Notes (including, without limitation, the same denomination per Note) at the time of the Post-Restructuring Exchange, and (c) with an aggregate principal amount equal to the aggregate principal amount of the Notes of such series outstanding on the date of the Post-Restructuring Exchange. Interest on the New Notes will accrue from and including the date on which the Post-Restructuring Exchange takes place, as the issue date of the New Notes. Such notes will be issued pursuant to a new indenture. Further, a "Completion Event Notice" means, upon the occurrence of a Completion Event with respect to which a Post-Restructuring Exchange is required or has been elected by the Guarantor, the notice that the Guarantor will give to the holders through DTC or other clearing system (with a copy to the Trustee for information purposes) no more than 30 days after the occurrence of such event, which notice will state that a Completion Event has occurred and specify the date on which a Post-Restructuring Exchange will take place, which date will be not less than 60 nor more than 90 Business Days after the date of the Completion Event Notice.

Repurchases

Holders of the Notes may not require the Issuer to repurchase the Notes prior to maturity.

Subject to the prior approval of FINMA, if then required under Swiss laws and regulations applicable to the Guarantor from time to time, each of the Issuer, the Guarantor, or any subsidiary of the Guarantor, may at any time purchase or procure others to purchase beneficially for its account Notes in any manner and at any price. Notes so purchased may, at the Issuer's or Guarantor's or any such subsidiary's discretion, be held, resold or surrendered for cancellation.

Tax Redemption

Subject to the prior approval of FINMA, if then required under Swiss laws applicable to the Guarantor from time to time, as evidenced by an officers' certificate from the Issuer certifying the same, the Issuer may at its option redeem the Notes of any series, in whole but not in part, at any time on giving not less than 30 nor more than 60 days' notice to the holders and the Trustee, at the principal amount of the Notes being redeemed, together with accrued interest to, but excluding the date of redemption, if it or the Guarantor has or will become obligated to pay Additional Amounts in respect of the Notes of such series as described under "—Payment of Additional Amounts" below as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of Switzerland or Guernsey, as applicable, or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date hereof, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption will be given earlier than 90 days prior to the earliest date on which it would be obliged to pay such Additional Amounts were a payment in respect of the Notes then due; provided, however, that if the Issuer has given such notice and a Restructuring Event occurs thereafter, but prior to the tax redemption date, such tax redemption will be canceled. Prior to the giving of any notice of redemption pursuant to this paragraph, the Issuer will deliver to the Trustee a certificate stating that it is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right to redeem have occurred, and an opinion of independent counsel of recognized standing to the effect that the Issuer has or will become obligated to pay such Additional Amounts as a result of such change or amendment.

Payment of Additional Amounts

The Issuer or the Guarantor, as the case may be, will, subject to the exceptions and limitations set forth below, pay such additional amounts to the holder of Notes as may be necessary so that every net payment on the Notes, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by Switzerland or Guernsey, as applicable, or any political subdivision or taxing authority thereof or therein, will not be less than the amount provided in the Notes to be then due and payable, subject to the discussion below (such amounts referred to herein as "Additional Amounts").

Switzerland

The Issuer and the Guarantor will not be required to make any payments of Additional Amounts described above in respect of any present or future tax, assessment or other governmental charge imposed by Switzerland, or any political subdivision or taxing authority thereof or therein, for or on account of:

(i) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note by reason of the holder having some connection with Switzerland other than the mere holding of the Note; or

(ii) any such taxes, duties, assessments or other governmental charges imposed in respect of any Note presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder would have been entitled to such Additional Amounts on presenting such Note for payment on the last day of such period of 30 days; or

(iii) any such taxes, duties, assessments or other governmental charges where such withholding or deduction is imposed on a payment and is required to be made pursuant to any agreements between the European Community and other countries or territories providing for measures equivalent to those laid down in the Council Directive 2003/48/EC, including, but not limited to, the agreement between the European Union and Switzerland of October 26, 2004, or any law or other governmental regulation implementing or complying with, or introduced in order to conform to, such agreements; or

(iv) where such withholding or deduction is imposed on a payment and is required to be made pursuant to any agreements between Switzerland and other countries on final withholding taxes (*internationale Quellensteuern*) in respect of persons resident in the other country on income of such person on Notes booked or deposited with a Swiss paying agent, or any law or the other governmental regulation implementing or complying with, or introduced in order to conform to, such agreements; or

(v) any such taxes, duties, assessments or other governmental charges imposed on a payment in respect of the Notes required to be made pursuant to laws enacted by Switzerland providing for the taxation of payments according to principles similar to those laid down in the draft legislation of the Swiss Federal Council of December 17, 2014, or otherwise changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the issuer is required to withhold tax on any interest payments; or

(vi) any such taxes, duties, assessments or other governmental charges imposed in respect of the relevant Note presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another paying agent in a member state of the European Union; or

(vii) where such withholding or deduction is imposed on any payment by reason of FATCA (as defined below); or

(viii) where upon the occurrence of a Completion Event a Post-Restructuring Exchange occurs, such withholding or deduction is imposed on any payment to the Trustee on behalf of the holders of any accrued and unpaid interest on the Notes up to (and including) the date immediately prior to the date of such Post-Restructuring Exchange; or

(ix) any combination of two or more items (i) through (viii) above.

Guernsey

The Issuer and the Guarantor will not be required to make any payments of Additional Amounts described above in respect of any present or future tax, assessment or other governmental charge imposed by Guernsey, or any political subdivision or taxing authority thereof or therein, for or on account of:

(i) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note by reason of the holder having some connection with Guernsey other than the mere holding of the Note; or

(ii) to the extent the withholding or deduction is imposed or levied because the holder (or beneficial owner) of the Note has not made a declaration of non-residence or other claim for exemption, if such holder is able to avoid such deduction or withholding by making such a declaration or claim; or

(iii) any such taxes, duties, assessments or other governmental charges imposed in respect of any Note presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder would have been entitled to such Additional Amounts on presenting such Note for payment on the last day of such period of 30 days; or

(iv) any such taxes, duties, assessments or other governmental charges imposed in respect of the relevant Note presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another paying agent in a member state of the European Union; or

(v) any such taxes, duties, assessments or other governmental charges where such withholding or deduction is imposed on a payment and is required to be made pursuant to any agreements between the European Community and other countries or territories providing for measures equivalent to those laid down in the Council Directive 2003/48/EC, including any law or other governmental regulation implementing or complying with, or introduced in order to conform to, such agreements; or

(vi) where such withholding or deduction is imposed on any payment by reason of FATCA (as defined below); or

(vii) any combination of two or more items (i) through (vi) above.

"Relevant Date" as used herein means whichever is the later of (x) the date on which such payment first becomes due and (y) if the full amount payable has not been received by the Trustee on or prior to such date, the date on which the full amount having been so received, notice to that effect shall have been given to the holders.

U.S. Foreign Account Tax Compliance Act

Payments on the Notes will be subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as

amended (the "Code"), or described in any agreement between any jurisdiction and the United States relating to the foreign account provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any agreements, law, regulation or other official guidance implementing an intergovernmental agreement or other intergovernmental approach thereto (collectively, "FATCA").

Consolidation, Merger or Sale

The Issuer and the Guarantor have agreed in each Indenture not to consolidate with or merge with or into any other person or convey or transfer all or substantially all of their properties and assets to any person (other than with or into, in the case of the Issuer, the Guarantor or, in both cases, any subsidiary of the Guarantor) unless:

(i) the Issuer or the Guarantor, as applicable, is the continuing person; or

(ii) the successor expressly assumes by supplemental indenture the obligations of the Issuer or the Guarantor, as applicable, under such Indenture.

In either case, the Issuer or the Guarantor, as applicable, will also have to deliver a certificate to the Trustee stating that after giving effect to the merger, conveyance or transfer there will not be any Defaults under such Indenture and an opinion of counsel stating that the merger, conveyance or transfer and the supplemental indenture, if required, comply with these provisions and that the supplemental indenture is a legal, valid and binding obligation of the successor corporation enforceable against it.

Subsequent Holders' Agreement

Holders of the Notes that acquire the Notes in the secondary market shall be deemed to acknowledge, agree to be bound by and consent to the provisions specified in the applicable Indenture to the same extent as the holders of the Notes that acquire the 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 Notes, including in relation to any Swiss Resolution Power, any Restructuring Protective Measures and any Issuer Substitution.

Modification of the Indentures

In general, rights and obligations of the Issuer, the Guarantor and the holders under each Indenture may be modified if the holders of a majority in aggregate principal amount of the outstanding Notes affected by the modification consent to such modification, except as provided herein. However, unless each affected holder agrees, an amendment cannot:

(i) impair the right of any holder to receive payment of the principal of and interest on Notes on or after the respective due dates;

(ii) impair the right of any holder to institute suit for the enforcement of any such payment on or after such respective dates;

(iii) make any adverse change to any payment term of the Notes such as extending the applicable Maturity Date, extending the date on which the Issuer has to pay interest, reducing the applicable interest rate, reducing the amount of principal the Issuer has to repay or the amount thereof provable in bankruptcy, insolvency or similar proceeding, changing the currency or place in which the Issuer has to make any payment of principal, premium or interest, modifying any redemption right to the detriment of the holder, and impairing any right of a holder to bring suit for payment;

(iv) reduce the percentage of the aggregate principal amount of Notes needed to make any amendment to such Indenture or to waive any covenant or Default;

(v) waive any payment Default; or

(vi) make any change to the amendment provisions of such Indenture;

provided that any amendments made pursuant to the agreement with respect to the exercise of Swiss Resolution Power and/or the ordering of Restructuring Protective Measures provided for in such Indenture and herein shall not be subject to the foregoing.

However, other than in the circumstances mentioned above, if the Issuer, the Guarantor and the Trustee agree, the applicable Indenture may be amended without notifying any holders or seeking their consent if the amendment does not materially and adversely affect the rights of any holder, including if the Guarantor assumes the obligations of the Issuer.

In particular, if the Issuer, the Guarantor and the Trustee agree, the applicable Indenture may be amended without notifying any holders or seeking their consent to add a guarantee from a third party on the outstanding and any future Notes to be issued under the applicable Indenture.

The Indentures do not contain any covenants or other provisions designed to protect holders of the Notes against a reduction in the creditworthiness of the Guarantor or the Issuer in the event of a highly leveraged transaction or that would prohibit other transactions that might adversely affect holders of the Notes, including a change in control of the Guarantor or the Issuer.

Events of Default

With respect to each series of Notes, an Event of Default occurs upon:

(i) a Default in payment of the principal or any premium on any Note of such series when due and payable;

(ii) a Default in payment of the interest on any Note of such series for 30 Business Days after such interest becomes due and payable;

(iii) a Default in performing any other covenant in the applicable Indenture for 60 Business Days after written notice from the Trustee or from the holders of 25% (with a copy to the Trustee) in principal amount of the outstanding Notes of such series; or

(iv) certain events of bankruptcy, insolvency or insolvent reorganization of the Issuer or the Guarantor;

provided, however, that neither (i) a Guarantor Restructuring Event, nor (ii) the exercise of any Swiss Resolution Power with respect to the Guarantor that requires or results in any write-down and cancellation and/or conversion into equity of the Guarantor of the entire, or a portion of, the principal amount of, and/or accrued interest on, the Notes, nor (iii) the ordering of any Restructuring Protective Measures that require or result in the deferment of payment of principal and/or interest under the Notes nor (iv) any consequences resulting from any of the foregoing shall constitute a Default or an Event of Default under the applicable Indenture. For the avoidance of doubt, any consequences resulting from any Non-Restructuring Protective Measures that would otherwise constitute a Default or an Event of Default will constitute a Default or an Event of Default, as applicable.

The Trustee may withhold notice to the holders of Notes of any Default with respect to the applicable series (except in the payment of principal, premium or interest) if it considers such withholding of notice to be in the best interests of the holders of such series. A "Default" is any event which is, or after notice or the passage of time or both would be, an Event of Default.

If an Event of Default with respect to a series of Notes occurs and continues, the Trustee or the holders of the aggregate principal amount of the Notes of such series as specified below may require the Issuer to repay immediately, or accelerate, the entire principal of the Notes of such series.

If the Event of Default with respect to a series of Notes occurs because of a Default in a payment of principal or interest on the Notes of such series, then the Trustee or the holders of at least 25% of the aggregate principal amount of Notes of such series can accelerate the Notes of such series. If the Event of Default with respect to a series of Notes occurs because of a failure to perform any other covenant in the applicable Indenture, then the Trustee or the holders of at least 25% of the aggregate principal amount of the Notes of such series can accelerate the Notes of such series. If the Event of Default with respect to a series of Notes occurs because of bankruptcy proceedings, then all of the Notes under the applicable Indenture will be accelerated automatically. Therefore, except in the case of a Default due to bankruptcy or insolvency of the Issuer, it is possible that you may not be able to accelerate a series of Notes because of the failure of holders of other Notes of such series issued under the applicable Indenture to take action.

The holders of a majority of the aggregate principal amount of the Notes of a series can rescind this accelerated payment requirement or waive any past Default or Event of Default with respect to such series of Notes or allow noncompliance with any provision of the applicable Indenture. However, they cannot waive a Default in payment of principal of, premium, if any, or interest on, any of the Notes of such series.

After an Event of Default, the Trustee must exercise the same degree of care a prudent person would exercise under the circumstances in the conduct of her or his own affairs. Subject to these requirements, the Trustee is not obligated to exercise any of its rights or powers under the applicable Indenture at the request, order or direction of any holders, unless the holders offer the Trustee satisfactory indemnity. If they provide this satisfactory indemnity, the holders of a majority in principal amount of the Notes of the relevant series, may direct the time, method and place of conducting any proceeding or any remedy available to the Trustee, or exercising any power conferred upon the Trustee, with respect to the Notes of such series.

Defeasance

The term defeasance means discharge from some or all of the obligations under an Indenture. Subject to certain tax conditions, if the Issuer or the Guarantor deposits with the Trustee sufficient cash or government securities, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal, interest, any premium and any other sums due to the stated applicable Maturity Date or a redemption date of the Notes of any series, the Issuer and the Guarantor will be discharged from their respective obligations with respect to the Notes of such series. In the case of defeasance pursuant to the above, the holders of the Notes of the relevant series will not be entitled to the benefits of the applicable Indenture except for registration of transfer and exchange of Notes of such series and replacement of lost, stolen or mutilated Notes of such series. Instead, the holders will only be able to rely on the deposited funds or obligations for payment.

The Issuer must deliver to the Trustee an officers' certificate and an opinion of counsel to the effect that the deposit and related defeasance would not cause the holders of the Notes of the relevant series to recognize income, gain or loss for U.S. federal income tax purposes and that the holders would be subject to U.S. federal income tax on the same amount and in the same manner and at the same time as would have been the case if such deposit and defeasance had not occurred, which opinion must be based either on a change in applicable U.S. federal income tax laws or regulations occurring after the date hereof. The Issuer may, in lieu of an opinion of counsel, deliver a ruling to such effect directed to the Trustee received from or published by the U.S. Internal Revenue Service.

Currency Indemnity

Payment on the Notes and amounts due under the applicable Indenture are due to be made in U.S. dollars, which we refer to as the "Required Currency." Any amount received or recovered in a currency other than the Required Currency by the Trustee, any holder in respect of any sum expressed to be due to it from the Issuer or the Guarantor, as applicable, shall only constitute a discharge to the Issuer or the Guarantor, as applicable, to the extent of the Required Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that Required Currency amount is less than the Required Currency amount expressed to be due to the recipient under any such Note, the Issuer or the Guarantor, as applicable, shall indemnify it against any resulting loss sustained by the recipient. In any event, the Issuer, failing whom, the Guarantor, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this condition, it will be sufficient for the Trustee or a holder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantor's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any waiver granted by any holder of the Notes and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under the Notes or any other judgment or order.

Provisions Relating to the Notes in Global Form and Book-Entry Clearance Systems

Book-Entry System

The Notes of each series are being sold to QIBs in reliance on Rule 144A, which we refer to as the "Rule 144A Notes." The Notes of each series also may be offered and sold in offshore transactions in reliance on Regulation S, which we refer to as the "Regulation S Notes." Rule 144A Notes of each series, including beneficial interests in the Rule 144A Global Notes of each series, will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "Notice to Investors." Regulation S Notes of each series will also bear the legend as described under "Notice to Investors."

The Rule 144A Notes of each series will initially be represented by one or more Global Notes in definitive, fully registered form without interest coupons, which we refer to collectively as the "Rule 144A Global Notes." The Regulation S Notes of each series will initially be represented by one or more Global Notes in definitive, fully registered form without interest coupons, which we refer to collectively as the "Regulation S Global Notes" and, together with the Rule 144A Global Notes, the "Global Notes." The Global Notes of each series will be deposited upon issuance with the Trustee as custodian for DTC and registered in the name of Cede & Co. as DTC's nominee in New York, New York for the accounts of institutions that have accounts with DTC, which we refer to as "participants." DTC will be depositary for the Global Notes. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the "Restricted Period"), beneficial interests in the Regulation S Global Notes of each series may be held only through Euroclear Bank, S.A./N.V as operator of the Euroclear System, which we refer to as "Euroclear," and Clearstream Banking, société anonyme, which we refer to as "Clearstream, Luxembourg," (as indirect participants in DTC), unless transferred to a person that takes delivery through a Rule 144A Global Note of the same series in accordance with the certification requirements described below. Beneficial interests in the Rule 144A Global Notes of a series may not be exchanged for beneficial interests in the Regulation S Global Notes of such series at any time except in the limited circumstances described below.

Except as set forth below, the Notes of each series will be issued in registered, global form in minimum denominations of $250,000 and integral multiples of $1,000 in excess thereof. The Notes will be issued at the closing of this offering only against payment in immediately available funds.

Investors in the Rule 144A Global Notes who are participants in DTC's system may hold their interests directly through DTC. Investors in the Rule 144A Global Notes who are not participants may hold their interests therein indirectly through organizations that are DTC participants. Euroclear and Clearstream will hold interests in the Regulation S Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank N.A., as operator of Clearstream. Except in the limited circumstances described below, holders of Notes represented by interests in a Global Note will not be entitled to receive their Notes in fully certificated, non-global definitive form, which Notes we refer to as "Definitive Notes."

So long as the depositary or its nominee is the registered owner of a global security, the Issuer, the Guarantor and the Trustee will treat the depositary as the sole holder of the Notes for purposes of the applicable Indenture. Therefore, except as set forth below, you will not be entitled to have the Notes registered in your name or to receive physical delivery of certificates representing the Notes. Accordingly, you will have to rely on the procedures of the depositary and the participant in the depositary through whom you hold your beneficial interest in order to exercise any rights of a holder under the applicable Indenture. We understand that under existing practices, the depositary would act upon the instructions of a participant or authorize that participant to take any action that a holder is entitled to take.

As long as the Notes of any series are represented by Global Notes, the Issuer will pay principal of and interest and premium on the Notes of such series to, or as directed by, DTC as the registered holder of the Global Notes. Payments to DTC will be in immediately available funds by wire transfer. DTC, Clearstream, Luxembourg or Euroclear, as applicable, will credit the relevant accounts of their participants on the applicable date. Neither the Issuer nor the Trustee will be responsible for making any payments to participants or customers of participants or for maintaining any records relating to the holdings of participants and their customers, and you will have to rely on the procedures of the depositary and its participants.

DTC, Clearstream, Luxembourg and Euroclear have, respectively, advised us as follows:

- *As to DTC:* DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities deposited with it by its participants and facilitates the settlement of transactions among its participants in such securities through electronic computerized book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of whom (and/or their representatives) own DTC. Access to DTC's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

  According to DTC, the foregoing information with respect to DTC has been provided to the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

- *As to Clearstream, Luxembourg:* Clearstream, Luxembourg has advised us that it was incorporated as a limited liability company under Luxembourg law. Clearstream, Luxembourg is owned by Cedel International, société anonyme, and Deutsche Börse AG. The shareholders of these two entities are banks, securities dealers and financial institutions.

  Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thus eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream, Luxembourg in many currencies, including U.S. dollars. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities, securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in over 30 countries through established depository and custodial relationships. Clearstream, Luxembourg interfaces with domestic markets in a number of countries. Clearstream, Luxembourg has established an electronic bridge with Euroclear Bank S.A./N.V., the operator of Euroclear, or the Euroclear operator, to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

  As a registered bank in Luxembourg, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream, Luxembourg customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. In the United States, Clearstream, Luxembourg customers are limited to securities brokers and dealers and banks, and may include any underwriters or agents for the Notes. Other institutions that maintain a custodial relationship with a Clearstream, Luxembourg customer may obtain indirect access to Clearstream, Luxembourg. Clearstream, Luxembourg is an indirect participant in DTC.

  Distributions with respect to the Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg customers in accordance with its rules and procedures, to the extent received by Clearstream, Luxembourg.

- *As to Euroclear:* Euroclear has advised us that it was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thus eliminating the need for physical movement of certificates and risk from lack of simultaneous transfers of securities and cash. Transactions may now be settled in many currencies, including U.S. dollars and Japanese Yen. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described below.

  Euroclear is operated by the Euroclear operator, under contract with Euroclear plc, a U.K. corporation. The Euroclear operator conducts all operations, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear operator, not Euroclear plc. Euroclear plc establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include any underwriters for the Notes. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly. Euroclear is an indirect participant in DTC.

  The Euroclear operator is a Belgian bank. The Belgian Banking Commission and the National Bank of Belgium regulate and examine the Euroclear operator.

The Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, or the Euroclear Terms and Conditions, and applicable Belgian law govern securities clearance accounts and cash accounts with the Euroclear operator. Specifically, these terms and conditions govern:

- transfers of securities and cash within Euroclear;
- withdrawal of securities and cash from Euroclear; and
- receipt of payments with respect to securities in Euroclear.

All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear operator acts under the terms and conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding securities through Euroclear participants.

Distributions with respect to the Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Euroclear Terms and Conditions, to the extent received by the Euroclear operator.

Global Notes generally are not transferable. Physical certificates will be issued to beneficial owners of a global security if:

- the depositary notifies the Issuer that it is unwilling or unable to continue as depositary and the Issuer does not appoint a successor within 90 days after its receipt of such notice;
- the depositary ceases to be a clearing agency registered under the Exchange Act and the Issuer does not appoint a successor within 90 days after it becomes aware of such cessation;
- the Issuer decides in its sole discretion (subject to the procedures of the depositary) that it does not want to have the Notes represented by Global Notes;
- an Event of Default has occurred with regard to the Notes and has not been cured or waived and DTC, on behalf of the beneficial owners, has requested the issuance of physical certificates.

If any of the events described in the preceding paragraph occurs, the Issuer will issue Definitive Notes in certificated form in an amount equal to a holder's beneficial interest in the Notes. Definitive Notes will be issued in minimum denominations of $250,000 and integral multiples of $1,000 in excess thereof, and will be registered in the name of the person DTC specifies in a written instruction to the registrar of the Notes.

In the event Definitive Notes are issued:

- holders of Definitive Notes will be able to receive payments of principal and interest on their Notes at the office of the Issuer's paying agent maintained in the Borough of Manhattan;
- upon provision of certifications, if any, to the Trustee, as may be required by the applicable Indenture and the Notes, holders of Definitive Notes will be able to transfer their Notes in whole or in part, by surrendering the Notes for registration of transfer at the office of U.S. Bank National Association at 100 Wall Street, 16th Floor, New York, New York, 10005, the Trustee under the applicable Indenture. The Issuer will not charge any fee for the registration or transfer or exchange, except that it may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the registration, transfer or exchange; and
- any moneys the Issuer pays to its paying agents for the payment of principal and interest on the Notes which remain unclaimed at the second anniversary of the date such payment was due will be returned to the Issuer, and thereafter holders of Definitive Notes may look only to the

Issuer, as general unsecured creditors, for payment, provided, however, that the paying agents must first publish notice in an authorized newspaper that such money remains unclaimed.

Global Clearance and Settlement Procedures

You will be required to make your initial payment for the Notes in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System, or any successor thereto. Secondary market trading between Clearstream, Luxembourg customers and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes or *vice versa* at any time except in the limited circumstances described below. Until the expiration of the Restricted Period, a beneficial interest in a Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Note only if the transferor first delivers to the Trustee a written certificate (in the form provided in the applicable Indenture) to the effect that:

1. the transfer of the Notes is being made in accordance with Rule 144A; and
2. the Notes are being transferred to a person: (a) who the transferor reasonably believes to be a QIB within the meaning of Rule 144A purchasing for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A; and (b) in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg customers or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by a U.S. depositary; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (based on European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depositary to take action to effect final settlement on its behalf by delivering or receiving Notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg customers and Euroclear participants may not deliver instructions directly to their respective U.S. depositaries.

Because of time-zone differences, credits of Notes received in Clearstream, Luxembourg or Euroclear as a result of a transaction with a DTC participant will be made during subsequent Notes settlement processing and dated the Business Day following the DTC settlement date. Such credits or any transactions in such Notes settled during such processing will be reported to the relevant Clearstream, Luxembourg customers or Euroclear participants on such Business Day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of Notes, by or through a Clearstream, Luxembourg customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the Business Day following settlement in DTC.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Notes among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and such

procedures may be discontinued at any time. Neither the Initial Purchasers, nor the Trustee, nor us have any responsibility for the performance or nonperformance of DTC, Clearstream, Luxembourg and Euroclear or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC, or any other clearing system (any such other clearing system, an "alternative clearing system") as the holder of a Note represented by the Global Notes must look solely to Euroclear, Clearstream, Luxembourg, DTC or any such alternative clearing system (as the case may be) for his share of each payment made by the Issuer to the holder of the Global Notes and in relation to all other rights arising under the Global Notes, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such alternative clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by the Global Notes and such obligations of the Issuer will be discharged by payment to the holder of the Global Notes in respect of each amount so paid.

Payment

In the case of non-global, Definitive Notes, principal and interest payments will be made at the office of the paying agent or by check mailed to you at your address as it appears in the register, subject to surrender of the Note in the case of payments of principal.

Information Concerning the Trustee for the Notes

U.S. Bank National Association, a national association, with its corporate trust office in New York, will be the Trustee for each series of Notes. The Trustee will be required to perform only those duties that are specifically set forth in the applicable Indenture, except when certain defaults have occurred and are continuing with respect to the Notes of the relevant series. After certain defaults, the Trustee must exercise the same degree of care that a prudent person would exercise under the circumstances in the conduct of her or his own affairs. Subject to these requirements, the Trustee will be under no obligation to exercise any of the powers vested in it by the applicable Indenture at the request of any holder of Notes of the relevant series unless the holder offers the Trustee satisfactory indemnity against the costs, expenses and liabilities that might be incurred by exercising those powers. The Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any officers' certificate, opinion of counsel (or both), resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper person or persons. The Issuer is obliged to furnish to the Trustee annually, or upon request of the Trustee, a list of the names and addresses of the holders of registered Notes.

U.S. Bank National Association has loaned money to the Guarantor and certain of its subsidiaries and affiliates and provided other services to it and has acted as trustee or fiscal agent under certain of its and its subsidiaries' and affiliates' indentures or fiscal agency agreements in the past and may do so in the future as a part of its regular business.

Governing Law

The Notes, the Guarantees and the Indentures will be governed by and construed in accordance with the laws of the State of New York.

Jurisdiction

Any suit, action or proceeding against the Issuer or the Guarantor arising out of or based upon the Notes, the Guarantees or the Indentures may be instituted in any state or federal court in the borough of Manhattan, The City of New York.