

DESCRIPTION OF THE BONDS

The following is only a summary of certain provisions of the bonds and the indenture (as defined herein) and is qualified in its entirety by reference to all the provisions of the bonds and the indenture. Capitalized terms used in this section and not otherwise defined herein have the meanings assigned to them in the indenture and the form of bonds, copies of which will be available for inspection at the principal office of the trustee at 39/F ICBC Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong.

General

We will issue the bonds with an initial aggregate principal amount of €750,000,000 pursuant to a subordinated indenture to be dated as of November 9, 2010 between us and Citicorp International Limited, as trustee, as may be supplemented from time to time, or the indenture. The bonds will mature on November 9, 2020, and will not be redeemable prior to maturity, except as described under “—Redemption for Taxation Reasons”.

The bonds will be issued in fully registered form, without coupons, in denominations of €50,000 in principal amount and integral multiples of €1,000 in excess thereof. As described in more detail below under “—Form, Book-entry and Transfer”, the bonds will be issued in the form of one or more global certificates registered in the nominee name of a common depository of Euroclear and Clearstream, but in certain circumstances may be represented by definitive bonds in certificated form.

The bonds have not been registered with the SEC and are being offered and sold outside the United States only to non-U.S. Persons in reliance on Regulation S and inside the United States to qualified institutional buyers in reliance on Rule 144A. Accordingly, the indenture is not required to be, and has not been, qualified under the Trust Indenture Act of 1939, as amended, or the Trust Indenture Act.

Ranking

The bonds will constitute our direct and unsecured obligations and shall at all times rank *pari passu* among themselves and at least equally and ratably with all of our indebtedness that is subordinated to Senior Indebtedness (as defined below) and is in priority to all of our perpetual subordinated indebtedness, including indebtedness in respect of preference or other shares or any other indebtedness which ranks, or is expressed to rank, *pari passu* with, or junior to, indebtedness in respect of perpetual subordinated debt.

Subordination

Upon the occurrence and continuation of a Subordination Event (as defined below), our obligations pursuant to the bonds shall be subordinated in right of payment to all Senior Indebtedness as defined below and, so long as such Subordination Event continues (and in the case of civil rehabilitation proceedings, so long as neither a Summary Rehabilitation Order (as defined below) nor Consent Rehabilitation Order (as defined below) shall have been issued), no payment will be made under the bonds (except for such amounts which shall have become due and payable, other than solely by way of acceleration, prior to the date on which a Subordination Event shall have occurred) unless and until (i) in the case of Subordination Event (a), all Senior Indebtedness appearing on the final distribution list prepared by the administrator for the final distribution of bankruptcy assets pursuant to the Japanese Bankruptcy Act (Act No. 75 of 2004, as amended) or any successor legislation thereto, or the Bankruptcy Act, is paid in full or provision has been made for the payment in full thereof pursuant to the Bankruptcy Act, (ii) in the case of Subordination Event (b), all Senior Indebtedness appearing in the plan of reorganization, at the date such plan has become final and conclusive after approval by a court of competent jurisdiction in Japan, as our indebtedness, subject to modification of such plan, is paid in full to the extent of the original amount of such indebtedness without regard to such modification, (iii) in the case of Subordination Event (c), all Senior Indebtedness appearing in the plan of rehabilitation, at the date such a plan has become final and conclusive after approval by a court of competent jurisdiction in Japan, as our indebtedness, subject to modification in such plan, is paid in full to the extent of the original amount of such indebtedness without regard to such modification or (iv) in the case of Subordination Event (d), conditions equivalent to those set out in (i), (ii) or (iii) above have been fulfilled; provided that, notwithstanding any provision herein to the contrary, if the imposition of any such condition is not allowed under such proceedings, any amount which becomes due under the bonds shall become payable in accordance with the Conditions for Payment set forth in the indenture and not subject to such impermissible condition.

The rights of the holders of the bonds will be reinstated with respect to any payments made to holders that are subsequently avoided in the bankruptcy, reorganization or rehabilitation, as though such payments had not been made.

We shall make no amendment or modification to the subordination provisions contained in the indenture that is prejudicial to any present or future creditor in respect of any of our Senior Indebtedness. No such amendment or modification shall in any event be effective against any such creditor.

A holder of a bond by his acceptance thereof shall thereby agree that if any payment is made to the holder of such bond after the occurrence of a Subordination Event and the amount of such payment shall exceed the amount, if any, that should have been paid to such holder, the payment of such excess amount shall be deemed null and void and such holder shall be obliged to return the amount of the excess payment within ten days after receiving notice of the excess payment, and shall also thereby agree that upon the occurrence of a Subordination Event and so long as such Subordination Event shall continue, such holder shall not exercise any right to set off any of our liabilities under the bonds (except for such amounts which shall have become due and payable, other than solely by way of acceleration, prior to the date on which the Subordination Event shall have occurred) against any liabilities of such holder owed to us unless, until and only in such amount as our liabilities under the bonds become payable pursuant to the proper application of the subordination provisions of the bonds.

“Consent Rehabilitation Order” means a decision of a court of competent jurisdiction under Article 217, Paragraph (1) of the Civil Rehabilitation Act to the effect that the procedures for the investigation and confirmation of civil rehabilitation claims as defined in Article 84 of the Civil Rehabilitation Act, and the resolution of a civil rehabilitation plan shall be omitted.

“Senior Indebtedness” means all our deposits and other liabilities (including, for the avoidance of doubt, statutory subordinated bankruptcy claims (*retsugoteki hasan saiken*), as defined under the Bankruptcy Act) other than (i) liabilities under the bonds which shall not have become due and payable prior to the date on which a Subordination Event has occurred, (ii) liabilities under the bonds which shall have become due and payable solely by way of acceleration prior to such date and (iii) other liabilities ranking *pari passu* with, or junior to, the bonds. For the purposes of (iii) above, such liabilities shall include any liabilities with subordination provisions substantially similar to the subordination provisions of the bonds, but which omit a provision similar to (c) set forth below under Subordination Event and clause (c) of the definition of “Condition for Payment” as set forth in the indenture.

“Subordination Event” means any one of the following events:

(a) a court of competent jurisdiction in Japan shall have adjudicated us to be bankrupt pursuant to the provisions of the Bankruptcy Act;

(b) a court of competent jurisdiction in Japan shall have commenced reorganization proceedings with respect to us pursuant to the provisions of the Japanese Corporate Reorganization Act (Act No. 154 of 2002 as amended), or the Reorganization Act;

(c) a court of competent jurisdiction in Japan shall have commenced civil rehabilitation proceedings with respect to us pursuant to the provisions of the Japanese Civil Rehabilitation Act (Act No. 225 of 1999 as amended) or any successor legislation thereto, or the Civil Rehabilitation Act; or

(d) we shall have become subject to bankruptcy, corporate reorganization, civil rehabilitation or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan, which proceedings have an equivalent effect to those set out in (a), (b) or (c) above.

“Summary Rehabilitation Order” means a decision of a court of competent jurisdiction under Article 211, Paragraph (1) of the Civil Rehabilitation Act to the effect that the procedures for the investigation and confirmation of civil rehabilitation claims as defined in Article 84 of the Civil Rehabilitation Act shall be omitted.

For the avoidance of doubt, in the course of any potential bankruptcy proceedings pursuant to the Bankruptcy Act, claims of the holders of the bonds (other than claims that shall have become due and payable prior to the date on which a Subordination Event shall have occurred) will rank junior in priority to statutory subordinated bankruptcy claims (*retsugoteki hasan saiken*), as defined in the Bankruptcy Act, in any distributions arising from such bankruptcy proceedings. Statutory subordinated bankruptcy claims constitute Senior Indebtedness.

As a consequence of the subordination provisions in the bonds, in the event of the occurrence of a Subordination Event, the holders of the bonds may recover less ratably than the holders of our deposit liabilities and other unsubordinated liabilities. Holders of the bonds may be required to pursue their claims with respect to the bonds in Japan. To the extent that holders of the bonds are entitled to any recovery with respect to the bonds in any Japanese action or proceeding, such holders might not be entitled in such an action or proceeding to a recovery in euros and might be entitled in such an action or proceeding only to a recovery in Japanese yen. We will agree pursuant to the terms of the indenture to indemnify the holders of the bonds against certain losses incurred as a result of any judgment or order being given or made for any amount due under the bonds and such judgment or order being expressed and paid in a currency other than euros. See “—Indemnification of Judgment Currency”.

Any amounts due under this indemnification and any additional amounts due in respect of Japanese withholding taxes as provided by the terms of the bonds will be subordinated in right of payment in any such proceeding. See “—Taxation and Additional Amounts”. Pursuant to the provisions of the Bankruptcy Act, Reorganization Act or Civil Rehabilitation Act, the holders of our liabilities (both subordinated and unsubordinated) will be required to file a notice of claim in Japan upon the occurrence of a Subordination Event. Upon the expiration of the period for filing such notices, based on the notices filed and our records, an official list of liabilities that will be entitled to receive distribution in a bankruptcy, reorganization proceeding or rehabilitation proceeding will be determined pursuant to the provisions of the Bankruptcy Act, the Reorganization Act or the Civil Rehabilitation Act.

As of March 31, 2010, we had outstanding obligations to creditors (including deposits and other debt and guarantee obligations), that upon the occurrence of a Subordination Event would, upon the satisfaction of any procedural requirements, rank subordinated to the obligations under the bonds, with an aggregate principal amount equivalent to ¥1,656 billion on a non-consolidated basis. The indenture and the bonds do not contain any limitations on the amount of Senior Indebtedness or other liabilities that we may hereafter incur or assume (including through guarantee obligations). As of March 31, 2010, we had outstanding subordinated debt, which upon the occurrence of a Subordination Event would rank *pari passu* to the obligations under the bonds, with an aggregate principal amount equivalent to ¥2,104 billion on a non-consolidated basis.

Listing

We have received approval in-principle to list the bonds on the SGX-ST. The bonds will be traded on the SGX-ST in a minimum board lot size of €200,000 for so long as the bonds remain listed on the SGX-ST.

Payment of Principal and Interest

Interest on the bonds will accrue at the rate of 4.000% *per annum* from November 9, 2010. We will pay interest on the bonds annually in arrears on November 9 of each year, beginning on November 9, 2011 to the persons in whose names the bonds are registered as of the close of business on the fifteenth day before the due date for payment (whether or not a business day). Such annual interest will amount to €40.00 per each €1,000 in nominal amount of the bonds. Interest on the bonds will be paid to but excluding the relevant interest payment date. If interest is required to be calculated for a period less than the period beginning on (and including) November 9 and ending on (but excluding) November 9 of the following year, then we will compute interest based on the actual number of days in the period from and including the date from which interest begins to accrue to but excluding the date on which it falls due, or the interest accrual period, divided by 365 (or, if any portion of the interest accrual period falls in a leap year, a sum of (A) the actual number of days in that portion of the interest accrual period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the interest accrual period falling in a non-leap year divided by 365).

We will pay the principal of and interest on the bonds in euros or in such other coin or currency of the European Union as at the time of payment is legal tender for the payment of public and private debts.

Principal will be repaid at maturity at a price of 100% of the principal amount.

If any payment is due on the bonds on a day that is not a business day, we will make payment on the date that is the immediately preceding business day. Payments advanced to the preceding business day in this situation will be treated under the indenture as if they were made on the original due date. The term “business day” means any day on which banking institutions in London or Tokyo are not authorized or required by law, regulation or executive order to close and on which the TARGET System is operating.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System, which was launched on November 19, 2007, or any successor thereto.

Further Issuances

We may, from time to time, without the consent of the holders of the bonds, create and issue additional bonds on the same terms and conditions as the bonds offered hereby, except as to denomination, issue date, issue price and, if applicable, the date from which interest shall accrue and the date on which interest shall be first paid; provided that such additional bonds must be fungible with the bonds for U.S. federal income tax purposes. Any additional bonds issued in this manner may be consolidated and treated as a single series with the bonds offered hereby for all purposes under the indenture.

We also may, without the consent of the holders of the bonds, issue other series of debt securities in the future under the indenture on terms and conditions different from the bonds offered hereby.

Taxation and Additional Amounts

All payments of principal and interest in respect of the bonds shall be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, we shall pay such additional amounts as will result in the receipt by the holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any of the bonds under any of the following circumstances:

- the holder or beneficial owner of the bonds is a non-resident of Japan or a non-Japanese corporation and is liable for such taxes in respect of such bonds by reason of its having some connection with Japan other than the mere holding of such bonds or being a person having a special relationship with us as described in Article 6, Paragraph (4) of the Special Taxation Measures Act;
- the holder or beneficial owner of the bonds would otherwise be exempt from any such withholding or deduction but fails to comply with any applicable requirement to provide interest recipient information or to submit a written application for tax exemption to the relevant paying agent to whom the relevant bonds are presented (where presentation is required), or whose interest recipient information is not duly communicated through the relevant Participant (as defined below) and relevant international clearing organization to such paying agent;
- the holder or beneficial owner of the bonds is for Japanese tax purposes treated as a resident of Japan or a Japanese corporation (except for a designated financial institution that complies with the requirement to provide interest recipient information or to submit a written application for tax exemption and a resident of Japan or a Japanese corporation that duly notifies (directly or through the relevant Participant or otherwise) the relevant paying agent of its status as not being subject to withholding or deduction by us by reason of receipt by such resident of Japan or Japanese corporation of interest on the relevant bonds through a payment handling agent in Japan appointed by us);
- the bond is presented for payment (where presentation is required) more than thirty days after the day on which such payment on the bond became due or after the full payment was provided for, whichever occurs later, except to the extent the holder thereof would have been entitled to additional amounts on presenting the same for payment on the last day of such period of thirty days;
- the withholding or deduction is imposed on a payment to an individual pursuant to European Council Directive 2003/48/EC regarding the taxation of savings income or any law implementing such directive;
- the withholding or deduction is imposed on a holder or beneficial owner that could have avoided such withholding or deduction by presenting its bond (where presentation is required) to another paying agent maintained by us;
- the holder is a fiduciary or partnership or is not the sole beneficial owner of the payment of the principal of, or any interest on, any bond, and Japanese law requires the payment to be included for tax purposes in the income of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner, in each case, that would not have been entitled to such additional amounts had it been the beneficial owner of such bond; or
- any combination of the above.

Where the bonds are held through a participant of an international clearing organization or a financial intermediary, or a Participant, in order to receive payments free of withholding or deduction by us for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax, if the relevant beneficial owner is a non-resident of Japan or a non-Japanese corporation (other than a specially related person of ours) or a Japanese financial institution falling under certain categories prescribed by the Special Taxation Measures Act, all in accordance with the Special Taxation Measures Act, each such beneficial owner shall, at the time of entrusting a Participant with the custody of the bonds, provide certain information prescribed by the Special Taxation Measures Act to enable the Participant to establish that the beneficial owner is exempted from the requirement for withholding or deduction of such taxes, and advise the Participant if the beneficial owner ceases to be so exempted (including the case where a beneficial owner that is a non-resident of Japan or a non-Japanese corporation becomes a specially related person of ours).

Where the bonds are not held by a Participant, in order to receive payments free of withholding or deduction by us for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax, if the relevant beneficial owner is a non-resident of Japan or a non-Japanese corporation (other than a specially related person of ours) or a Japanese financial institution falling under certain categories prescribed by the Special Taxation Measures Act, all in accordance with the Special Taxation Measures Act, each such beneficial owner shall, prior to each time at which it receives interest, submit to the relevant paying agent a written application for tax exemption (*hikazei tekiyo shinkokusho*), in a form obtainable from the paying agent stating, among other things, the name and address of the beneficial owner, the title of the bonds, the relevant interest payment date, the amount of interest and the fact that the beneficial owner is qualified to submit the written application for tax exemption, together with documentary evidence regarding its identity and residence.

By subscribing to the bonds, an investor will be deemed to have represented that it is a “Gross Recipient” for Japanese tax purposes. For more details regarding Japanese withholding tax, see “Taxation—Japanese Taxation”.

We will make any required withholding or deduction and remit the full amount withheld or deducted to the Japanese taxing authority in accordance with applicable law. We will use reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any tax, duty, assessment, fee or other governmental charge so withheld or deducted from the Japanese taxing authority imposing such tax, duty, assessment or other governmental charge and if certified copies are not available we will use reasonable efforts to obtain other evidence satisfactory to the trustee, and the trustee will make such certified copies or other evidence available to the holders upon reasonable request to the trustee.

The obligation to pay additional amounts with respect to any taxes, duties, assessments and other governmental charges shall not apply to any estate, inheritance, gift, sales, transfer, personal property or any similar tax, duty, assessment, fee or other governmental charge or any tax, duty, assessment, fee or other governmental charge which is payable otherwise than by withholding or deduction from payments of principal or interest on the bonds; provided that, except as otherwise set forth in the bonds of the relevant series and in the indenture, we will pay all stamp, court or documentary taxes or any excise or property taxes, charges or similar levies and other duties, if any, which may be imposed by Japan, the United States or any political subdivision or any taxing authority thereof or therein, with respect to the indenture or as a consequence of the initial issuance, execution, delivery or registration of the bonds.

References to principal or interest in respect of the bonds shall be deemed to include any additional amounts due which may be payable as set forth in the bonds and the indenture.

Redemption for Taxation Reasons

The bonds may be redeemed at our option, in whole, but not in part, subject to obtaining prior consent of the FSA, at any time, on giving not less than thirty nor more than sixty days’ notice of redemption to the holders (which notice shall be irrevocable and shall conform to all requirements with respect to such notice as set forth in the indenture) at a redemption price equal to 100% of the principal amount of the bonds together with interest accrued to the date fixed for redemption and any additional amounts thereon, if we have been or will become obliged to pay additional amounts as described under “—Taxation and Additional Amounts” as a result of any change in, or amendment to, the laws or regulations of Japan or any political subdivision or any authority thereof or therein having power to tax, or any change in application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the issuance date of the bonds

and such obligation cannot be avoided by us through the taking of reasonable measures available to us; provided that, no such notice of redemption shall be given earlier than ninety days prior to the earliest date on which we would be obliged to pay such additional amounts were a payment in respect of the bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, we shall deliver to the trustee a certificate signed by an authorized officer stating that the conditions precedent to our right to so redeem have occurred, and an opinion of independent legal advisors of recognized standing to the effect that we have or will become obliged to pay such additional amounts as a result of such change or amendment.

Repurchase

We, or any subsidiary of us, may at any time but subject to the prior consent of the FSA (if such consent is required) purchase any or all of the bonds in the open market or otherwise at any price. Subject to applicable law, neither we nor any subsidiary of ours shall have any obligation to offer to purchase any bonds held by any holder as result of our or its purchase or offer to purchase bonds held by any other holder in the open market or otherwise.

Any bonds so repurchased by us or any subsidiary of ours and surrendered to the trustee shall be cancelled.

Consolidation, Merger, Sale or Conveyance

The indenture provides that we may consolidate with or merge into any other corporation or entity or sell or dispose of our properties and assets substantially as an entirety, whether as a single transaction or a number of transactions, related or not, to any person, provided that, among other things, such other corporation or entity formed by such consolidation, or into which we are merged, or such person who acquires our properties and assets substantially as an entirety, is a joint stock company (*kabushiki kaisha*) incorporated and validly existing under the laws of Japan and expressly assumes our obligations under the bonds and the indenture, and further provided that, immediately after giving effect to such transaction, no Event of Acceleration shall have occurred and be continuing.

Events of Acceleration; Limited Rights of Acceleration

An Event of Acceleration with respect to the bonds means the occurrence and continuation of a Subordination Event. In case an Event of Acceleration shall occur and be continuing, the trustee or the holders of not less than 25% in aggregate principal amount of the bonds may, by written notice to us and the trustee (if given by the holders), declare the principal of and all interest then accrued on the bonds to be forthwith due and payable upon receipt of such notice by us and, if applicable, the trustee. At any time after such a declaration of acceleration has been made and before a judgment or decree for payment of the money due has been obtained by the trustee pursuant to the provisions of the indenture, the holders of a majority in principal amount of the bonds, by written notice to us and the trustee, may rescind and annul such declaration and its consequences provided certain conditions set forth in the indenture have been satisfied. Except as provided above, neither the trustee nor the holders of the bonds will have any right to accelerate any payment of principal or interest in respect of the bonds.

If the holders of a majority in principal amount of the bonds rescind and annul a declaration of acceleration or if a court of competent jurisdiction shall (i) rescind or terminate a bankruptcy action with respect to us without a distribution of assets pursuant to the Bankruptcy Act, (ii) rescind or terminate a reorganization proceeding with respect to us without approving the plan or reorganization pursuant to the Reorganization Act or (iii) rescind or terminate a rehabilitation proceeding without approving the plan of rehabilitation, or a Summary Rehabilitation Order or Consent Rehabilitation Order is issued, pursuant to the Civil Rehabilitation Act, then such Event of Acceleration shall have the same effect as if it had not occurred.

Pursuant to the indenture, the trustee shall give notice by mail to the holders of any series of bonds of all defaults known to the trustee that have occurred with respect to such series. The trustee shall transmit the notice within ninety days of such occurrence, unless the defaults have been cured before transmission of such notice.

Paying Agent, Transfer Agent and Registrar

Whenever we appoint a paying agent to make payments required under the indenture and the bonds, such paying agent will hold all sums received by us for the payment of the principal and interest (including any

additional amounts) on the bonds in trust for the benefit of the holders of the bonds and will make payments to such holders as provided for in the indenture and the bonds.

Citibank, N.A., London located at DUB-01-11, 1 North Wall Quay, Dublin 1, Ireland, will initially act as paying agent and registrar for the bonds. We may change the paying agent, transfer agent or registrar without prior notice to the holders of the bonds, and we or any of our subsidiaries may act as paying agent or registrar.

So long as the bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the global securities are exchanged for definitive bonds in certificated form, we shall appoint and maintain a paying agent in Singapore, at the specified office of which the bonds may be presented or surrendered for payment or redemption. In addition, an announcement of such exchange shall be made by or on our behalf through the SGX-ST. Such announcement will include all material information with respect to the delivery of the definitive bonds, including details of the paying agent in Singapore.

Indemnification of Judgment Currency

We will indemnify each holder of a bond to the full extent permitted by applicable law against any loss incurred by such holder as a result of any judgment or order being given or made for any amount due under such bond and such judgment or order being expressed and paid in a judgment currency other than euros and as a result of any variation as between the rate of exchange at which the euro is converted into the judgment currency for the purpose of such judgment or order and the spot rate of exchange in The City of New York at which the holder on the date that payment is made pursuant to such judgment or order is able to purchase euros with the amount of the judgment currency actually received by the holder.

Discharge of Indenture

We may discharge all of our obligations, other than as to transfers and exchanges, under the indenture if we shall have:

- paid or caused to be paid the principal of and interest on all of the bonds of any series (other than bonds of such series which have been destroyed, lost or stolen and which have been replaced or paid under certain terms) as and when the same shall have become due and payable;
- delivered to the trustee for cancellation all of the bonds of any series theretofore authenticated (other than bonds of such series which have been destroyed, lost or stolen and which have been replaced or paid under certain terms); or
- irrevocably deposited with the trustee cash or U.S. government obligations in trust for the benefit of the holders of bonds of any series issued under the indenture that have either become due and payable, or are by their terms to become due and payable within one year, or are scheduled for redemption within one year, in an amount certified to be sufficient to pay, on each date that they become due and payable, the principal of and interest on those bonds. However, the deposit of cash or U.S. government obligations for the benefit of holders of bonds that are due and payable or are scheduled for redemption within one year will discharge obligations under the indenture relating only to that series of bonds.

Modification and Waiver

No amendment or modification which is prejudicial to any present or future creditor in respect of any Senior Indebtedness shall be made to the subordination provision contained in the indenture.

Without Consent of Holders

We and the trustee may amend or modify the indenture or the bonds of any series without the consent of any holder of the bonds of such series to:

- cure ambiguities, omissions, defects or inconsistencies;
- add covenants for the protection of the holders of the bonds;
- secure the bonds of any series;
- establish the forms or terms of the bonds of any series;
- evidence and provide for the acceptance of appointment by a successor trustee;

- evidence the assumption by a successor corporation of our obligations under the bonds and the indenture;
- qualify the indenture under the Trust Indenture Act; or
- make any other change that does not adversely affect the rights of any holder of the bonds in any material respect.

With Consent of Holders

Either we or the trustee, with the consent of the holders of not less than a majority in aggregate principal amount of all affected series of outstanding bonds under the indenture (voting together as a single class), may add any provisions to, or change in any manner or eliminate any of the provisions of, the indenture or modify in any manner the rights of the holders of the bonds issued under the indenture. However, we and the trustee may not make any of the following changes to any outstanding bond of any series without the consent of each holder that would be affected by such change:

- extend the final maturity of any bond or of any installment of principal of any such bond;
- reduce the principal amount thereof;
- reduce the rate or extend the time of payment of interest thereon;
- reduce any amount payable on redemption thereof;
- make the principal thereof (including any amount in respect of original issue discount), or interest thereon, payable in any coin or currency other than that provided in the bonds or in accordance with the terms thereof;
- modify or amend any provisions for converting any currency into any other currency as provided in the bonds or in accordance with the terms of such bonds;
- change our obligations to pay additional amounts established for any tax, assessment or governmental charge withheld or deducted, including the option to redeem the bonds rather than to pay the additional amounts;
- reduce the amount of the principal of an original issue discount security that would be due and payable upon an acceleration of the maturity of such bond or the amount provable in bankruptcy, or impair or affect the right of any holders of the bonds to institute suit for the payment thereof or, if the bonds provide therefor, impair or affect any right of repayment at the option of the holders of the bonds;
- modify or amend any provisions relating to the conversion or exchange of the bonds for other of our securities or for securities of other entities or for other property (or the cash value thereof), including the determination of the amount of securities or other property (or cash) into which the bonds shall be converted or exchanged, other than as provided in the antidilution provisions or other similar adjustment provisions of the bonds or otherwise in accordance with the terms of such bonds;
- modify or amend any provisions relating to the agreement to subordinate and the terms of subordination of the bonds of any particular series pursuant to the indenture; or
- reduce the aforesaid percentage of the bonds of any particular series, the consent of the holders of such series being required for any such supplemental indenture, in each case without the consent of the holders of each bond so affected.

The holders of a majority in aggregate principal amount of the outstanding bonds of each affected series and the debt securities of all other affected series outstanding under the indenture (voting together as a single class) also have the right to waive past defaults, except a default in the payment of principal of or interest on any bond of a series, or in respect of a covenant or a provision of the indenture that cannot be modified or amended without the consent of the holder of each bond affected thereby.

The Trustee

The trustee is organized under the laws of Hong Kong with offices located at 39/F ICBC Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong. The indenture provides that in the case of an Event of Acceleration or a default in the payment of interest or principal with respect to the bonds, the trustee will exercise the rights and powers vested in it by the indenture, using the same degree of care and skill as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. In the absence

of an Event of Acceleration or a default in the payment of interest or principal with respect to the bonds, the trustee need only perform the duties specifically set forth in the indenture.

The trustee will be under no obligation to exercise any rights, trusts or powers conferred under the indenture or any of the bonds for the benefit of the holders unless such holders have offered to the trustee indemnity or security reasonably satisfactory to the trustee against any loss, cost, liability or expense.

The indenture does not contain limitations on the rights of the trustee thereunder, should it be or become a creditor of ours, to obtain payment of claims. The bonds are issued pursuant to Rule 144A and Regulation S. The trustee is not precluded from engaging in other transactions and if it has or acquires any conflicting interest (as defined in Section 310(b) of the Trust Indenture Act), it is not required to eliminate such conflict or resign.

The indenture provides that we will indemnify the trustee and each predecessor trustee and their respective agents, employees, officers and directors for, and hold each such party harmless against, any loss, liability or expense arising out of or in connection with the acceptance or administration of the indenture or the trusts thereunder and the performance of each such party's duties thereunder, including reasonable and properly incurred costs and expenses of defending against or investigating any claim of liability, except to the extent such loss, liability or expense is due to the negligence or bad faith of the trustee, such predecessor trustee or their respective agents, employees, officers or directors.

The trustee currently acts as trustee for other securities issued by us and may in the future act as trustee for other securities issued by us or by our affiliates.

Successor Trustee

The indenture provides that the trustee may resign or be removed by us at any time, effective upon the acceptance by a successor trustee of its appointment. The indenture provides that any successor trustee shall be a corporation with a combined capital and surplus of not less than \$50,000,000.

Repayment of Funds

All monies paid by us to the trustee or a paying agent for payment of principal of or interest and any additional amounts on any bond which remain unclaimed at the end of two years after such payment has been made will be repaid to us and all liability of the trustee with respect thereto will cease, and to the extent permitted by law, the holder of such bonds shall thereafter look only to us for payment as a general unsecured creditor thereof.

Governing Law

The indenture and the bonds will be governed by, and construed in accordance with, the laws of the State of New York.

Consent to Jurisdiction and Service of Process

We have irrevocably consented to the jurisdiction of the courts of the State of New York and the United States courts located in The City of New York with respect to any action that may be brought in connection with the indenture or the bonds. We have appointed our New York Branch at 277 Park Avenue, New York, New York 10172, General Manager, Planning Dept., Americas Division, as our authorized agent upon whom process may be served in any such action arising out of or based on the indenture or the bonds until the first-year anniversary of the first day upon which none of the bonds shall be outstanding.

Limitation on Suits

Except for the right to institute a suit for the enforcement of the payment of principal of, or interest on a bond, no holder of any bond shall have any right to institute any proceeding with respect to the bonds or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless: (i) such holder has previously given written notice to the trustee of a continuing Event of Acceleration with respect to the bonds, (ii) the holders of not less than 25% in principal amount of the outstanding bonds shall have made written request to the trustee to institute proceedings in respect of such Event of Acceleration, (iii) such holders have offered to the trustee indemnity or security reasonably satisfactory to the trustee against the costs, expenses and liabilities to be suffered or incurred in compliance with such request, (iv) the trustee for sixty days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and (v) no

direction inconsistent with such written request has been given to the trustee during such sixty-day period by the holders of a majority in principal amount of the outstanding bonds.

Undertaking for Costs

The indenture provides that we and the trustee agree, and each holder of a bond by his acceptance thereof shall be deemed to have agreed, that in any suit for the enforcement of any right or remedy under the indenture or against the trustee for action taken, suffered or omitted by it as trustee (other than a suit instituted by us, the trustee, a holder or group of holders holding more than 10% in aggregate principal amount of the bonds, or any holder for the enforcement of the payment of the principal of or interest on any bond on or after the maturity thereof), a court may in its discretion require the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant.

Form, Book-entry and Transfer

The bonds will be issued only in fully registered form without coupons and in denominations of €50,000 and integral multiples of €1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of the bonds, but we may require payment of a sum sufficient to cover any tax or government charge payable in connection therewith.

We will cause to be maintained offices or agencies where the bonds may be presented for registration of transfer or for exchange, each, a transfer agent. We will initially appoint Citibank, N.A., London as transfer agent for the bonds.

We will cause to be kept for the bonds a register in which, subject to such reasonable regulations as it may prescribe, we will provide for the registration of such bonds and registration of transfers of such bonds. We, the trustee and any agent of ours or the trustee may treat the person in whose name any bond is registered as the absolute owner of such bond for all purposes and none of them shall be affected by any notice to the contrary. At the option of the registered holder of a bond, subject to the restrictions contained in the bonds and in the indenture, such bond may be transferred or exchanged for a like aggregate principal amount of bonds of the same series of different authorized denominations, upon surrender for exchange or registration of transfer, at the trustee's office. Any bond surrendered for exchange or presented for registration of transfer shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to us and the trustee, duly executed by the holder thereof or its attorney duly authorized in writing. Bonds issued upon any such transfer will be executed by us and authenticated by or on behalf of the trustee, registered in the name of the designated transferee or transferees and delivered at the trustee's office or mailed, at the request, risk and expense of, and to the address requested by, the designated transferee or transferees.

We may vary or terminate the appointment of any transfer agent, or appoint additional or other transfer agents or approve any change in the office through which any transfer agent acts. We will cause notice of any resignation, termination or appointment of the trustee or any transfer agent, and of any change in the office through which any transfer agent will act, to be provided to holders of the bonds.

Global Securities

The bonds will be initially represented by one or more global certificates in definitive, fully registered form without interest coupons, or the global securities. The global securities will be registered in the nominee name of a common depository of Euroclear and Clearstream. Beneficial interests in the global securities may be held only through Euroclear or Clearstream (or any successor clearing system that holds global securities) and their participants. Each of Euroclear and Clearstream is referred to as a depository.

The Rule 144A bonds will initially be issued as global securities, collectively, the Rule 144A global securities. Any bonds issued in exchange for Rule 144A global securities or beneficial interests therein will be subject to certain restrictions on transfer set forth therein and in the indenture and will bear the legend regarding such restrictions set forth under "Transfer Restrictions".

The Regulation S bonds will initially be issued as global securities, collectively, the Regulation S global securities. On or prior to the fortieth day after the later of the commencement of the offering or the date the bonds were originally issued, a beneficial interest in Regulation S global securities may be transferred to a person who wishes to take delivery of such beneficial interest as evidenced by a Rule 144A global security only upon receipt by or on behalf of the common depository of a written certification from the transferor (in

the form set out in the indenture), to the effect that such transfer is being made to a person whom the transferor reasonably believes to be a QIB within the meaning of Rule 144A, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. After such fortieth day, such certification requirements will no longer apply to such transfers, but such transfers will continue to be subject to the transfer restrictions contained in the legend regarding such restrictions set forth under “Transfer Restrictions”.

Beneficial interests in the global securities will be shown on, and transfers thereof will be effected only through, records maintained by the depositaries and their participants. Except as set forth below, the global securities may be transferred, in whole and not in part, only to a successor of the common depositary. Accordingly, the sole holder of the bonds represented by the global securities will at all times be the common depositary or its successor, and voting and other consensual rights of holders of the bonds will be exercisable by beneficial owners of the bonds only indirectly through the rules and procedures of the depositaries from time to time in effect. Beneficial interests in the global securities may not be exchanged for definitive bonds except in the limited circumstances described below under “—Exchanges of Global Securities for Definitive Bonds”. In addition, beneficial interests in the Rule 144A global securities may not be exchanged for beneficial interests in the Regulation S global securities of the same series or *vice versa* except in accordance with the transfer and certification requirements described below under “—Exchanges between the Rule 144A Global Securities and the Regulation S Global Securities”.

Exchanges between the Rule 144A Global Securities and the Regulation S Global Securities

Beneficial interests in the Rule 144A global securities may be exchanged for beneficial interests in the Regulation S global securities of the same series and *vice versa* only in connection with a transfer of such interest. Such transfers are subject to compliance with the certification requirements described below.

Beneficial interests in the Rule 144A global securities may be transferred to a person who takes delivery in the form of an interest in a Regulation S global security of the same series, only upon receipt by the trustee of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or, if available, Rule 144.

Transfers involving an exchange of a beneficial interest in the bonds evidenced by the Regulation S global securities for a beneficial interest in the bonds evidenced by the Rule 144A global securities, or *vice versa*, will be effected in Euroclear or Clearstream by means of an instruction originated by the registrar in accordance with applicable procedures of the relevant depositary.

Any beneficial interest in one of the global securities that is transferred to a person who takes delivery in the form of an interest in the other global security of the same series will, upon transfer, cease to be an interest in such global security and will become an interest in the other global security and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other global security for as long as it remains such an interest. In connection with any such exchange, appropriate adjustments will be made in the records of the bond register to reflect the relevant increase and decrease in the principal amounts of the affected global securities.

Exchanges of Global Securities for Definitive Bonds

A beneficial interest in a global security may not be exchanged for a definitive bond unless Euroclear or Clearstream, as the case may be, (i) is closed for business for a continuous period of 14 days (other than by reason of statute or holiday) or (ii) announces an intention permanently to cease business or in fact does so, and we do not appoint a successor depositary within 90 days. Upon the occurrence of such event, the common depositary shall instruct us to transfer the bonds to such persons as notified to it by the applicable depositary or any successor clearance and settlement system as the holders of beneficial interests therein. In all cases, definitive bonds delivered in exchange for any global security or beneficial interests therein will be registered in the names, and issued in approved denominations, requested by or on behalf of the applicable depositary (in accordance with its customary procedures). Any definitive bonds issued in exchange for an interest in a global security will bear the legend restricting transfers that is borne by such global security.

Depositary Procedures

As long as the common depositary is the registered holder of global securities, the common depositary will be considered the sole owner and holder of the bonds represented by such global securities for all purposes under the indenture and the bonds, and, accordingly, our obligations under the bonds represented by

such global securities are to the common depository as the registered holder of such bonds, and not to the holders of beneficial interests in such bonds.

The bonds will be subject to certain restrictions on transfer and will bear a restrictive legend as described under “Transfer Restrictions”. In addition, transfer of beneficial interests in the global securities will be subject to the applicable rules and procedures of the depositories and their respective direct or indirect participants, which may change from time to time.

Euroclear and Clearstream Procedures

Distributions of interest and other payments with respect to book-entry interests in the bonds held through Euroclear and Clearstream will be credited, to the extent received by any paying agent, to the cash accounts of Euroclear and Clearstream or any other securities intermediary that holds a book-entry interest in the bonds through one or more securities intermediaries standing between such other securities intermediary and Euroclear or Clearstream.

As Euroclear and Clearstream act on behalf of their respective account holders only, who in turn may act on behalf of their respective clients, the ability of beneficial owners who are not account holders with Euroclear and Clearstream to pledge interests in global securities to persons or entities that are not account holders with Euroclear or Clearstream, or otherwise take action in respect of interests in the global securities, may be limited.

Euroclear

Euroclear was created in 1968 to hold securities for its participants and to clear and settle transaction 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. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V., under contract with Euroclear Clearance Systems, S.C., a Belgian cooperative corporation. All operations are conducted by Euroclear Bank, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with Euroclear Bank, not with Euroclear Clearance Systems. Euroclear Clearance Systems establishes policies 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 the initial purchasers. 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 licensed, regulated and examined by the Belgian Banking and Finance Commission.

Securities clearance accounts and cash accounts with Euroclear are governed by the terms and conditions governing use of, and the related operating procedures of, Euroclear and applicable Belgian law, which are referred to collectively as the terms and conditions. The terms and conditions govern transfers of securities and cash within Euroclear, and withdrawals of securities and cash from Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. Euroclear acts under the terms and conditions only on behalf of Euroclear participants and has no record of, or relationship with, persons holding through Euroclear participants.

Clearstream

Clearstream is incorporated as a bank under Luxembourg law. Clearstream holds securities for its participants and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thus eliminating the need for physical movement of certificates. Clearstream provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in a number of countries. Clearstream has established an electronic bridge with Euroclear to facilitate settlement of trades between Clearstream and Euroclear.

As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for Supervision of the Financial Sector. Clearstream participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. In the United States, Clearstream participants are limited

to securities brokers and dealers. Clearstream participants may include the initial purchasers. Other institutions that maintain a custodial relationship with a Clearstream participant may obtain indirect access to Clearstream.

Limitation on Responsibilities

Although the foregoing sets out the procedures of the depositaries established in order to facilitate the transfer of interests in the global securities among their participants, none of the depositaries is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

Euroclear and Clearstream have no knowledge of the actual beneficial owners of interests in a global security. The records of Euroclear and Clearstream reflect only the identity of the Euroclear or Clearstream participants to whose accounts global securities are credited, which may or may not be the beneficial owners of interests in a global security. Euroclear and Clearstream participants and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers.

Neither we nor the initial purchasers, nor any of our or their respective agents will have any responsibility for the performance by any depositary or their respective participants of their respective obligations under the rules and procedures governing their operations.