

# INTERNATIONAL PRIMARY MARKET ASSOCIATION

## ARCHIVE

*This section is for reference only.  
It contains previous versions of  
IPMA Standard Form Documentation.*

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**INTERNATIONAL PRIMARY MARKET ASSOCIATION  
ONLINE ARCHIVE SECTION**

**1. Agreements Among Managers:**

- (i) Notice for use under English Law issued March 2001 – withdrawn 1 March 2004
- (ii) Introduction to Non Equity-Related agreements issued April 2003 – withdrawn 1 March 2004
- (iii) English Law Version 1 (Managers only – Fixed price non Equity-Related issues)
  - (a) Version effective 1 March 2001. Withdrawn 19 May 2003
  - (b) Version effective 19 May 2003. Withdrawn 1 March 2004
- (iv) English Law Version 2 (Managers and Separate Selling Group – Fixed price non Equity-Related issues)
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- (v) French, German and New York Law Schedules dated January 2000 effective 8 April 1991, withdrawn 1 March 2004.
  - (a) French
  - (b) German
  - (c) New York
  - (d) English Law Version 1 effective 8 April 1991, withdrawn 1 March 2004
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***Note:***

Please see notices (1) and (2) above for an explanation of the relationship between the English Law Versions which applied to French, German and New York law issues using the IPMA standard forms, and the English law versions in items (3) and (4)

**2. Standard Subscription Agreement (withdrawn March 2004)**

Disclaimer  
IPMA Standard Terms for Subscription Agreements  
IPMA Standard Subscription Agreement

**3. Standard Form Pricing Supplement (updated June 2003)**

March 2004

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## AGREEMENT AMONG MANAGERS

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### NOTICE FOR USE UNDER ENGLISH LAW EFFECTIVE 1 MARCH, 2001

Following extensive discussions within IPMA and the market, it was agreed that the indemnity from the Managers to the Lead Manager contained in the IPMA standard form Agreement Among Managers, Versions 1 and 2, should be removed.

Accordingly, Versions 1 and 2 (English law only) have been reviewed and circulated and will be the versions that apply, if they are incorporated into any issue launched on or after 1 March 2001.

The printed copies of the new versions are dated February 2001 at the bottom of the page. Handbook subscribers will receive them in the week commencing 5 March, 2001 together with a number of other new Handbook pages and a blue cover sheet headed “Filing Guidance”.

The previous standard form Agreement Among Managers, Versions 1 and 2, dated January 2000 at the bottom of the page, remains the version to be incorporated by reference in the French law, German law and New York law versions of the Agreement Among Managers. They also continue to apply for versions launched prior to 1 March 2001 that incorporate them.

It is intended to update the current French law, German law, and New York law versions of the Agreement Among Managers as soon as possible.

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## AGREEMENT AMONG MANAGERS

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### INTRODUCTION TO NON EQUITY-RELATED AGREEMENTS

Version 1 (English Law – Managers only) is effective if incorporated into issues launched on or after 19 May 2003. The printed copy has May 2003 at the foot of each page.

Version 2 (English Law – Managers and Selling Group) was last revised in 2001. The printed copy has February 2001 at the foot of each page.

The Standard Form Agreements Among Managers, Versions 1 and 2, dated January 2000 at the bottom of the page, are the versions to be incorporated by reference in the French, German and New York Law Versions of the Agreement Among Managers.

IPMA is updating all versions of the Agreement Among Managers during 2003.

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## AGREEMENT AMONG MANAGERS

Version 1  
(Managers only – Fixed-Price  
Non Equity-Related Issues)

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### EXPLANATORY NOTE

#### IPMA Standard Form Agreement Among Managers

A. The IPMA Standard Form Agreement Among Managers Version 1 is intended for use in fixed-price non equity-related issues where there is no intention to charge stabilisation losses to the Managers. It also assumes that the IPMA Recommendation that cost overruns should not be charged to co-managers is to be followed. This Agreement may require modification, in particular, for issues using a pot system. For example, if the pot system being used involves the Lead Manager making allocations and subscribing the whole issue itself, Clause 3 will not work as drafted, because it can only be triggered if the Lead Manager itself defaults. Where modifications are required, they should be set out in the Invitation to Managers. This revision of Version 1 will apply in respect of all issues using Version 1 where the Invitation to Managers is sent on or after 1 March 2001.

B. This version of the IPMA Standard Form Agreement Among Managers will be used when the Invitation to Managers contains the words:

*Agreement Among Managers: IPMA Version 1.*

C. In the request to each Manager to appoint authorised signatories to execute agreements on its behalf the following language should be inserted:

*The execution of the Subscription Agreement by or on behalf of all parties will constitute your acceptance of the IPMA Agreement Among Managers Version 1 subject to any amendment notified to you in writing at any time prior to the earlier of the receipt by the Lead Manager or the Settlement Lead Manager of the document appointing your authorised signatory and the execution of the Subscription Agreement.*

The effect of adding these words is that each Manager will become bound by this version of the Standard Form Agreement Among Managers (with the appropriate variations) by virtue of having become bound by the Subscription Agreement.

If there are to be no Signing Authorities, because all Managers are to sign the Subscription Agreement, the Subscription Agreement (or some other contract to be signed between the Managers) should include a provision confirming acceptance of the IPMA Agreement Among Managers Version 1.

D. The Agreement contemplates that the Lead Manager or the Settlement Lead Manager will notify each co-Manager of the net amount due from it at Closing (i.e. after deduction of the Combined Commission due to it). In making that notification, the Lead Manager or Settlement Lead Manager should make an appropriate adjustment for any praecipium.

E. The Agreement is suitable for issues where (a) the obligations of the Managers are to be joint and several and (b) the closing of the issue is to be through the Euroclear System (the “Euroclear System”) and/or Clearstream, Luxembourg. It may also be used where other clearing systems are involved, as indicated in the Invitation to Managers. Where the obligations of the Managers are not joint and several, significant amendments may be required before the Agreement will be suitable for use.

F. The Agreement provides for the possibility that there may be more than one Lead Manager. There is no uniform practice in the market as to how the roles typically associated with a sole Lead Manager are divided between (or shared by) joint Lead Managers. Accordingly, the Agreement assumes, by default, that, apart from the roles of Stabilising Manager and Settlement Lead Manager, the roles are to be carried out jointly, unless the Invitation to Managers or the Subscription Agreement indicate otherwise (see Clause 9). Where there is any conflict between the Subscription Agreement, the Invitation to Managers and this Agreement in relation to the roles of joint Lead Managers, the Subscription Agreement should prevail.

Care should be taken in identifying circumstances where it would be inappropriate for the powers to be exercised jointly. For example, if one of the joint Lead Managers is an affiliate of the Issuer, it would usually be inappropriate for that Lead Manager’s consent to be required before an event of force majeure is deemed to have arisen.

The Terms of the Agreement Among Managers in respect of each issue where this form of Agreement has been selected for use are as follows (subject, in the case of each Manager, to any amendment notified to that Manager in writing at any time prior to the time when the Signing Authority granted by that Manager to the Lead Manager to which such Signing Authority is being granted is received by it or, where no Signing Authority is granted by that Manager, the date on which that Manager signs the Subscription Agreement). Terms used in this Agreement have the meanings assigned to them in the attached Schedule. Where this Agreement Among Managers has been selected for use, it is conditional upon and will take effect upon the execution of the Subscription Agreement for the relevant issue of Securities.

## **1. OFFERING**

The Managers confirm that the Lead Manager, as agent of the Issuer, has offered or will offer the Securities to Managers for subscription or purchase in the amounts already notified to each Manager by the Lead Manager.

## **2. UNDERWRITING**

The Securities will as between the Managers be severally underwritten by the Managers in the amounts set out in the Commitment Notification.

## **3. SUBSCRIPTION BY MANAGERS**

If any Manager defaults in its obligation to subscribe or purchase any amount of Securities offered to it as described in Clause 1, or if the Lead Manager in its absolute discretion believes that any Manager will so default:

- (1) the Lead Manager may require each non-defaulting Manager who has agreed to subscribe or purchase Securities as a result of offers described in Clause 1 in a principal amount which is less than its Commitment, to subscribe or purchase additional Securities, but so that no non-defaulting Manager shall, under this paragraph (1) and as a result of offers accepted by it as described in Clause 1 be obliged to subscribe or purchase a principal amount of Securities in excess of its Commitment. In exercising its rights under this

paragraph, the Lead Manager shall allocate Securities to each non-defaulting Manager to whom the paragraph applies in proportion to their Commitments, subject to paragraphs (4) and (5);

- (2) if any Securities remain to be subscribed or purchased after paragraph (1) has been applied, the Lead Manager may require each of the non-defaulting Managers to subscribe or purchase such Securities in proportion to their Commitments;
- (3) the Lead Manager may adjust the amount of Securities it requires any Manager to subscribe or purchase under this Clause up or down to such extent as it may deem expedient and equitable so as to ensure that no Manager is required to subscribe or pay for a fraction of any Security;
- (4) as an alternative and/or in addition to paragraphs (1) and/or (2), the Lead Manager may, in its absolute discretion, itself subscribe or purchase any Securities to which this Clause applies and offer them to any person (whether or not a Manager) or retain them for its own account;
- (5) any Securities to which this Clause relates will be subscribed or purchased by the non-defaulting Managers (or, in the case of paragraph (4), the Lead Manager) at the Selling Price, but after deduction of the defaulting Manager's Combined Commission, divided among the non-defaulting Managers (or, in the case of paragraph (4), the Lead Manager) in proportion to the amount of Securities taken up by them under this Clause, which amount shall be notified to each non-defaulting Manager by the Lead Manager.

#### **4. AUTHORITY TO LEAD MANAGER**

Each of the Managers authorises (in the case of sub-paragraphs (1) and (2)) the Settlement Lead Manager and (in the case of paragraph (3)) the Lead Manager as its agent and on its behalf to do whatever that Manager is (or all the Managers together are) required or entitled to do under the Subscription Agreement including:

- (1) entering into such arrangements with the Euroclear System and Clearstream, Luxembourg, or such other clearing system as may



be specified for closing of the issue in the Invitation to Managers (or the entities through whom they act) as the Settlement Lead Manager reasonably believes to be appropriate to effect payment for and delivery of the Global Instrument delivered in respect of the Securities;

- (2) borrowing for the account of the non-defaulting Managers, for their several accounts in proportion to their respective Commitments, such sum as may be necessary in order that payment to the Issuer can be effected as specified in the Subscription Agreement and the Settlement Lead Manager may pay interest at then current rates;
- (3) waiving compliance with any of the conditions referred to in the Subscription Agreement in respect of which the right of waiver is reserved.

As an alternative to borrowing under paragraph (2), the Settlement Lead Manager may as principal lend, and may charge interest at then current rates on, such sums as are referred to in that paragraph *mutatis mutandis* on the terms of that paragraph.

Any amounts due from any Manager as a result of any borrowing made on its behalf, or any loan to it, will be paid forthwith upon demand.

## **5. STABILISATION**

### **(a) Stabilising Manager**

Each Manager acknowledges that the Stabilising Manager is appointed stabilising manager for the Stabilisation Securities. However, this Clause does not authorise the Stabilising Manager to carry out stabilisation and/or over-allotment transactions on behalf of the Managers. Any such transactions shall be for the Stabilising Manager's own account (or that of the Lead Manager, if so agreed with the Stabilising Manager) and shall be effected in accordance with applicable laws.

### **(b) Non-Stabilisation Agreement**

No Manager other than the Stabilising Manager (and any lawful regional stabilising manager) will effect any transactions (whether in the open

market or otherwise) with a view to stabilising or maintaining the market price of the Stabilisation Securities at levels other than those which might otherwise prevail.

## **6. EXPENSES**

### **(a) Retention**

The amount paid by the Issuer or the Guarantor in respect of Managers' expenses shall be retained by the Lead Manager for its own account. The other Managers will not be reimbursed for any of their expenses in connection with the issue of the Securities.

### **(b) Expenses on Termination**

If the obligations of the Managers under the Subscription Agreement to subscribe or purchase the Securities are terminated, the Managers agree to contribute (subject to the aggregate amount of such contribution not exceeding the lower of 6 per cent of the Combined Commission and 20 per cent of the amount reimbursable by the Issuer (failing whom the Guarantor) in respect of expenses) in proportion to their respective Commitments in meeting any direct out-of-pocket expenses incurred by the Lead Manager which are not recoverable and/or are not recovered from the Issuer or the Guarantor under the Subscription Agreement.

## **7. TERMINATION**

If any Manager wishes to terminate its obligations to subscribe or purchase the Securities under the Subscription Agreement, it shall consult with the Lead Manager who shall, to the extent the Lead Manager considers reasonably practicable, consult with the other Managers. The Lead Manager may in any event, on behalf of the Managers and in its sole discretion, give notice of such termination to the Issuer in accordance with the terms of the Subscription Agreement and shall not be responsible to any Manager for any consequences resulting from any such notice. No other Manager may give any such notice and the Lead Manager may not be required to give, or not to give, such notice.

## **8. PARTNERSHIP**

None of the provisions of this Agreement or any other agreement relating to the Securities shall constitute or be deemed to constitute a partnership or joint venture between the Managers or any of them, or between them (or any of them) and anyone else, and, except as specifically provided, none of the Managers shall have any authority to bind any other Manager in any way.

## **9. JOINT LEAD MANAGERS**

Where there is more than one Lead Manager or Joint Bookrunners, any reference in this Agreement to the “Lead Manager” shall be construed:

(a) where any activity is expressed in the Invitation to Managers or the Subscription Agreement to be exercisable by one or more of the Lead Managers or Joint Bookrunners, as a reference, in relation to that activity, to that (those) Lead Manager(s) or Joint Bookrunner(s) and

(b) in all other cases, as a reference to each of the Lead Managers or Joint Bookrunners and so that any right, discretion or authority shall be carried out by them jointly.

Where there is any conflict between the Subscription Agreement, the Invitation to Managers and this Agreement in relation to the roles of joint Lead Managers or Joint Bookrunners, the Subscription Agreement will prevail.

## **10. SURVIVAL OF RIGHTS**

Completion of the subscription or purchase of the Securities by the Managers shall not terminate any rights which any party may have under this Agreement, which shall continue in full force and effect.

## **11. GOVERNING LAW AND JURISDICTION**

This Agreement, as to which time shall be of the essence, shall be governed by and construed in accordance with English law. With respect to any suit, action or proceedings relating to this Agreement (“Proceedings”), each

party irrevocably submits to the jurisdiction of the English courts and waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such party.

Nothing in this Agreement precludes any party from bringing Proceedings in any other jurisdiction (outside the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions (outside the Contracting States) preclude the bringing of Proceedings in any such other jurisdiction.

## SCHEDULE

<i>Closing Date</i>	The date defined as such in the Subscription Agreement.
<i>Combined Commission</i>	The combined management and underwriting commission set out in the Invitation to Managers.
<i>Commitments</i>	The amounts severally underwritten by the Managers as set out in the Commitment Notification.
<i>Commitment Notification</i>	The telex, fax, electronic message or other document notifying each Manager by or on behalf of the Lead Manager of that Manager's underwriting commitment.
<i>Guarantor</i>	The Guarantor, if any, of the issue.
<i>Global Instrument</i>	Includes any global instrument to be delivered by the Issuer, as provided for in the Subscription Agreement.
<i>Invitation to Managers</i>	The telex, fax, electronic message or other document inviting each Manager to participate in the issue.
<i>Issuer</i>	The issuer of the Securities.
<i>Joint Bookrunners</i>	The Managers, if any, identified as such in the Invitation to Managers or the Subscription Agreement.
<i>Lead Manager</i>	The Manager expressed to be the Lead Manager in the Invitation to Managers or as notified by any sub-sequent telex, fax, electronic message or other document.
<i>Managers</i>	The parties named as such in the Subscription Agreement.
<i>Securities</i>	The securities to be issued as described in the Invitation to Managers.
<i>Selling Price</i>	The price at which the Managers agree to subscribe or purchase the Securities under the Subscription Agreement (that is, the gross issue price less any selling concession or commission).

<i>Settlement Lead Manager</i>	The Lead Manager or, if there is more than one Lead Manager, the Lead Manager so specified in the Invitation to Managers or, if none, the Manager who makes arrangements for the issue and payment of the Securities with the clearing system or systems.
<i>Signing Authority</i>	The document from a Manager which purports to appoint an authorised attorney or signatory to execute the Subscription Agreement.
<i>Stabilisation Securities</i>	The securities in respect of which the right to carry out stabilising action has been reserved in any circular or prospectus pursuant to the Conduct of Business Rules of the Financial Services Authority.
<i>Stabilising Manager</i>	The person identified as having the right to stabilise the Stabilisation Securities in any circular or prospectus pursuant to the Conduct of Business Rules of the Financial Services Authority.
<i>Subscription Agreement</i>	The agreement (sometimes called an “underwriting agreement”, “terms agreement” or “purchase agreement”) between the Issuer, the Guarantor (if appropriate), the Lead Manager and the other Managers setting out the terms and conditions upon which the Managers agree to subscribe the Securities.

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## AGREEMENT AMONG MANAGERS

Version 1  
(Managers only – Fixed-Price  
Non Equity-Related Issues)

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### EXPLANATORY NOTE

#### IPMA Standard Form Agreement Among Managers

A. The IPMA Standard Form Agreement Among Managers Version 1 is intended for use in fixed-price non-equity-related issues where there is no intention to charge stabilisation losses to the Managers. It also assumes that the IPMA Recommendation that cost overruns should not be charged to co-managers is to be followed. This Agreement caters for issues using a pot system. However, given the wide variety of pot systems used in the market, where a pot system is used care should be taken to ensure that the provisions of this Standard Form are consistent with the commercial arrangements of that pot system. Where modifications are required, they should be set out in the Invitation to Managers. This revision of Version 1 will apply in respect of all issues using Version 1 where the Invitation to Managers is sent on or after 19th May 2003.

B. This version of the IPMA Standard Form Agreement Among Managers also contains provisions designed to deal with (a) laws relating to money laundering (Clause 11), (b) indemnity arrangements between Joint Bookrunners (Clause 9) and (c) the appointment of a stabilising agent under the stabilisation rules of the United Kingdom's Financial Services Authority (Clause 5(b)).

C. This version of the IPMA Standard Form Agreement Among Managers will be used when the Invitation to Managers contains the words:

*Agreement Among Managers: IPMA Version 1.*

D. In the request to each Manager to appoint authorised signatories to execute agreements on its behalf the following language should be inserted:

*The execution of the Subscription Agreement by or on behalf of all parties will constitute your acceptance of the IPMA Agreement Among Managers Version 1 subject to any amendment notified to you in writing at any time prior to the earlier of the receipt by the Lead Manager or the Settlement Lead Manager of the document appointing your authorised signatory and the execution of the Subscription Agreement.*

The effect of adding these words is that each Manager will become bound by this version of the Standard Form Agreement Among Managers (with the appropriate variations) by virtue of having become bound by the Subscription Agreement.

If there are to be no Signing Authorities, because all Managers are to sign the Subscription Agreement, the Subscription Agreement (or some other contract to be signed between the Managers) should include a provision confirming acceptance of the IPMA Agreement Among Managers Version 1.

E. The Agreement contemplates that (except where all Securities are to be allocated out of a Pot) the Lead Manager or the Settlement Lead Manager will notify each co-Manager of the net amount due from it at Closing (i.e. after deduction of the Combined Commission due to it). In making that notification, the Lead Manager or Settlement Lead Manager should make an appropriate adjustment for any praecipium.

F. The Agreement is suitable for issues where (a) the obligations of the Managers are to be joint and several and (b) the closing of the issue is to be through Euroclear Bank S.A./N.V. and/or Clearstream Banking société anonyme. It may also be used where other clearing systems are involved, as indicated in the Invitation to Managers. Where the obligations of the Managers are not joint and several, significant amendments may be required before the Agreement will be suitable for use.

G. The Agreement provides for the possibility that there may be more than one Lead Manager. There is no uniform practice in the market as to how the roles typically associated with a sole Lead Manager are divided between (or shared by) joint Lead Managers. Accordingly, the Agreement assumes, by default, that, apart from the roles of Stabilising Manager and Settlement Lead Manager, the roles are to be carried out jointly, unless the Invitation to Managers or the Subscription Agreement indicate otherwise



(see Clause 10). Where there is any conflict between the Subscription Agreement, the Invitation to Managers and this Agreement in relation to the roles of joint Lead Managers, the Subscription Agreement should prevail.

Care should be taken in identifying circumstances where it would be inappropriate for the powers to be exercised jointly. For example, if one of the joint Lead Managers is an affiliate of the Issuer, it would usually be inappropriate for that Lead Manager's consent to be required before an event of force majeure is deemed to have arisen.

H. The Agreement provides for contribution arrangements between Joint Bookrunners in certain circumstances. If different arrangements are to apply between the Joint Bookrunners for a specific transaction, the Joint Bookrunners should amend the provisions between themselves. This can be done by means of a separate agreement or letter and does not need to be disclosed in the Invitation to Managers.

I. As with any agreement, market participants are responsible for ensuring that the type and content of the Agreement Among Managers adopted for a particular transaction are appropriate in the circumstances.

J. This Explanatory Note does not form part of the Agreement Among Managers.

The Terms of the Agreement Among Managers in respect of each issue where this form of Agreement has been selected for use are as follows (subject, in the case of each Manager, to any amendment notified to that Manager in writing at any time prior to the time when the Signing Authority granted by that Manager to the Lead Manager to which such Signing Authority is being granted is received by it or, where no Signing Authority is granted by that Manager, the date on which that Manager signs the Subscription Agreement). Terms used in this Agreement have the meanings assigned to them in the attached Schedule. Where this Agreement Among Managers has been selected for use, it is conditional upon and will take effect upon the execution of the Subscription Agreement for the relevant issue of Securities.

## **1. OFFERING**

Except where there is a Pot relating to all of the Securities, the Managers confirm that the Settlement Lead Manager, as agent of the Issuer, has offered or will offer the Securities to Managers for subscription or purchase in the amounts already notified to each Manager by the Settlement Lead Manager.

## **2. UNDERWRITING**

The Securities will as between the Managers be severally underwritten by the Managers in the amounts set out in the Commitment Notification.

## **3. SUBSCRIPTION**

If there is a Defaulter:

- (1) where the Default Securities were sold out of a Pot:
  - (a) the Settlement Lead Manager will promptly notify the other Joint Bookrunners (if any) of the amount of the Default Securities;
  - (b) the Settlement Lead Manager may require the Bookrunner(s) or Manager(s) who proposed that Defaulter for inclusion in the Pot to subscribe or purchase those Default Securities. If more than one Bookrunner or Manager proposed that Defaulter for

inclusion in the Pot, any requirement by the Settlement Lead Manager under this paragraph shall be made on a basis that is *pro rata* to the amount of the orders brought by each such Bookrunner or Manager;

- (2) where the Default Securities were allotted to a Manager, the Settlement Lead Manager may require each non-defaulting Manager who has agreed to subscribe or purchase Securities as a result of offers described in Clause 1 in a principal amount which is less than its Commitment, to subscribe or purchase additional Securities, but so that no non-defaulting Manager shall, under this paragraph (2) and as a result of offers accepted by it as described in Clause 1 be obliged to subscribe or purchase a principal amount of Securities in excess of its Commitment. In exercising its rights under this paragraph, the Settlement Lead Manager shall allocate Securities to each non-defaulting Manager to whom the paragraph applies in proportion to their Commitments, subject to paragraphs (5) and (6);
- (3) if any Default Securities remain to be subscribed or purchased after the application of paragraph (1) and/or (2), the Settlement Lead Manager may require each of the non-defaulting Managers to subscribe or purchase such Default Securities in proportion to their Commitments;
- (4) if any non-defaulting Manager defaults in its obligation to subscribe or purchase any Default Securities under paragraph (3), the provisions of paragraph (3) will apply in respect of the other non-defaulting Managers to such Default Securities;
- (5) the Settlement Lead Manager may adjust the amount of Securities it requires any Manager to subscribe or purchase under this Clause up or down to such extent as it may deem expedient and equitable so as to ensure that no Manager is required to subscribe or pay for a fraction of any Security;
- (6) as an alternative and/or in addition to paragraphs (1) and/or (2) and/or (3) and/or (4), the Joint Bookrunner(s) or (if none) the Settlement Lead Manager may, in its/their absolute discretion, subscribe or purchase any Default Securities to which this Clause applies and/or offer them to any person (whether or not a Manager) or retain them for its/their own account. Where the Joint Bookrunners subscribe

or purchase Default Securities pursuant to this paragraph (6) in any issue where there is a Pot they shall do so in the same proportion as they share the underwriting fees relating to the Default Securities within the Pot (unless they agree otherwise);

- (7) any Default Securities to which this Clause relates will be subscribed or purchased (unless the only subscribers or purchasers are the Joint Bookrunners and they agree otherwise)
  - (a) (where the Default Securities were allocated out of a Pot) at the Reoffer Price and
  - (b) (in any other case at the Selling Price, but after deduction of the defaulting Manager's Combined Commission (if any) divided among the non-defaulting Managers (or, in the case of paragraph (6), the Joint Bookrunner(s) or (if none) the Settlement Lead Manager)

plus, in each case, an amount determined by the Settlement Lead Manager in its absolute discretion as being the proportion attributable to such Default Securities of the cost of borrowing the funds necessary to make payment for the Default Securities to the Issuer on the Closing Date and of any other costs associated with the default in relation to the Default Securities.

#### **4. AUTHORITY TO LEAD MANAGER**

Each of the Managers authorises (in the case of sub-paragraphs (1) and (2)) the Settlement Lead Manager and (in the case of paragraph (3)) the Lead Manager as its agent and on its behalf to do whatever that Manager is (or all the Managers together are) required or entitled to do under the Subscription Agreement including:

- (1) entering into such arrangements with Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme or such other clearing system as may be specified for closing of the issue in the Invitation to Managers (or the entities through whom they act) as the Settlement Lead Manager reasonably believes to be appropriate to effect payment for and delivery of the Securities or the Global Instrument delivered in respect of the Securities;

- (2) borrowing for the account of the non-defaulting Managers, for their several accounts in proportion to their respective Commitments, such sum as may be necessary in order that payments due to the Issuer and the Managers can be effected as specified in the Subscription Agreement and the Settlement Lead Manager may pay interest at then current rates;
- (3) waiving compliance with any of the conditions referred to in the Subscription Agreement in respect of which the right of waiver is reserved.

As an alternative to borrowing under paragraph (2), the Settlement Lead Manager may as principal lend, and may charge interest at then current rates on, such sums as are referred to in that paragraph *mutatis mutandis* on the terms of that paragraph.

Any amounts due from any Manager as a result of any borrowing made on its behalf, or any loan to it, will be paid forthwith upon demand.

## **5. STABILISATION**

### **(a) Stabilising Manager**

Each Manager acknowledges that the Stabilising Manager is appointed stabilising manager for the Stabilisation Securities. However, this Clause does not authorise the Stabilising Manager to carry out stabilisation and/or over-allotment transactions on behalf of the Managers. Any such transactions shall be for the Stabilising Manager's own account (or that of the Lead Manager, if so agreed with the Stabilising Manager) and shall be effected in accordance with applicable laws.

### **(b) Non-Stabilisation Agreement**

No Manager other than the Stabilising Manager (and any lawful agent appointed by it) will effect any transactions (whether in the open market or otherwise) with a view to stabilising or maintaining the market price of the Stabilisation Securities at levels other than those which might otherwise prevail.

## **6. EXPENSES**

### **(a) Retention**

The amount paid by the Issuer or the Guarantor in respect of Managers' expenses shall be retained by the Lead Manager for its own account. The other Managers will not be reimbursed for any of their expenses in connection with the issue of the Securities.

### **(b) Expenses on Termination**

If the obligations of the Managers under the Subscription Agreement to subscribe or purchase the Securities are terminated, the Managers agree to contribute (subject to the aggregate amount of such contribution not exceeding the lower of 6 per cent of the Combined Commission and 20 per cent of the amount reimbursable by the Issuer (failing whom the Guarantor) in respect of expenses) in proportion to their respective Commitments in meeting any direct out-of-pocket expenses incurred by the Lead Manager which are not recoverable and/or are not recovered from the Issuer or the Guarantor under the Subscription Agreement.

## **7. TERMINATION**

If any Manager wishes to terminate its obligations to subscribe or purchase the Securities under the Subscription Agreement, it shall consult with the Lead Manager who shall, to the extent the Lead Manager considers reasonably practicable, consult with the other Managers. The Lead Manager may in any event, on behalf of the Managers and in its sole discretion, give notice of such termination to the Issuer in accordance with the terms of the Subscription Agreement and shall not be responsible to any Manager for any consequences resulting from any such notice. No other Manager may give any such notice and the Lead Manager may not be required to give, or not to give, such notice.

## **8. PARTNERSHIP**

None of the provisions of this Agreement or any other agreement relating to the Securities shall constitute or be deemed to constitute a partnership or joint venture between the Managers or any of them, or between them

(or any of them) and anyone else, and, except as specifically provided, none of the Managers shall have any authority to bind any other Manager in any way.

## **9. CONTRIBUTION BETWEEN JOINT BOOKRUNNERS**

- (1) This Clause applies:
  - (a) unless the Joint Bookrunners agree that it shall not apply and
  - (b) subject to any amendments agreed in writing between the Joint Bookrunners;
- (2) No Joint Bookrunner shall be liable to make a contribution in respect of any claim or proceeding under this Clause to any other Joint Bookrunner;
  - (a) to the extent that the claim or proceeding is made by a regulatory or supervisory body by which the Joint Bookrunner requiring a contribution is authorised or regulated, in respect of a breach of the rules or regulations of that body by such Joint Bookrunner;
  - (b) to the extent that the claim or proceeding relates to a breach by the Joint Bookrunner requiring a contribution of the Subscription Agreement or any other agreement relating to the issue of the Securities; or
  - (c) where that other Joint Bookrunner is also the Issuer or Guarantor or any entity in the Issuer's or Guarantor's group
- (3) Subject to the other paragraphs of this Clause, each Joint Bookrunner agrees with the other(s), whether or not the Securities shall have been issued and settlement made of all other rights and obligations under this Agreement, to contribute pro rata to its Commitment (without regard to the limits set out in Clause 6(b)) towards:
  - (a) all expenses incurred by any Joint Bookrunner and not reimbursed by the Issuer or the Guarantor or any other person in investigating or defending any claim or proceeding which is asserted or commenced by any party (including any

governmental or regulatory body) in connection with the issue and offering of the Securities and

- (b) any liability, including legal fees, incurred by any Joint Bookrunner in respect of any such claim or proceeding, whether such liability shall be the result of a judgment or of any settlement agreed by that Joint Bookrunner.
- (4) No Joint Bookrunner shall be entitled to any contribution under this Clause if it has, without the agreement of the other Bookrunner(s), taken any action or engaged in any course of conduct that may have a substantial adverse effect on the outcome of any such claim or proceeding;
- (5) Where any such claim or proceeding is brought against any of the Joint Bookrunners, the Joint Bookrunners shall retain legal advisers reasonably satisfactory to all of them to represent the person against whom the claim or proceeding is brought and each Joint Bookrunner shall pay a share, on a basis pro rata to its Commitment, of the fees and expenses of such legal advisers related to such claim or proceeding. In any such claim or proceeding, any Joint Bookrunner shall have the right to retain its own legal advisers, but the fees and expenses of such legal advisers shall be the liability of such Joint Bookrunner unless any of the following circumstances occur in which case they shall be the liability of all of the Joint Bookrunners, on a basis pro rata to their Commitments:
- (a) the Joint Bookrunners have failed within a reasonable time to agree on the legal advisers to be retained or
  - (b) representation of all Joint Bookrunners by the same legal advisers would be inappropriate due to actual or potential differing interests between them
- (6) No Joint Bookrunner shall be liable for any settlement of any claim or proceeding effected without its written consent, but if settled with such consent or (subject to paragraph (2)) if there be a final judgment for the plaintiff, the Joint Bookrunners agrees to share on a basis pro rata to their Commitments any loss or liability by reason of such settlement or judgment. No Joint Bookrunner shall, without the prior written consent of the other Joint Bookrunners,



effect any settlement of any pending or threatened claim or proceeding in respect of which any other Joint Bookrunner is or could have been a party and payment could have been sought hereunder from that other Joint Bookrunner, unless such settlement includes an unconditional release of such other Joint Bookrunner from all liability in respect of the subject matter of such claim or proceeding;

- (7) This Clause shall override any other provision in any other contract relating to the issue of the Securities to which the Joint Bookrunners are parties, to the extent that it is inconsistent with any such other provision.

## **10. JOINT LEAD MANAGERS**

Where there is more than one Lead Manager or Joint Bookrunners, any reference in this Agreement to the “Lead Manager” shall be construed:

- (a) where any activity is expressed in the Invitation to Managers or the Subscription Agreement to be exercisable by one or more of the Lead Managers or Joint Bookrunners, as a reference, in relation to that activity, to that/those Lead Manager(s) or Joint Bookrunner(s) and
- (b) in all other cases, as a reference to each of the Lead Managers or Joint Bookrunners and so that any right, discretion or authority shall be carried out by them jointly.

Where there is any conflict between the Subscription Agreement, the Invitation to Managers and this Agreement in relation to the roles of joint Lead Managers or Joint Bookrunners, the Subscription Agreement will prevail.

## **11. MONEY LAUNDERING**

The Settlement Lead Manager confirms that

- (a) it has taken or will take all appropriate action required, under the law and regulations applicable to it implementing Council Directive No 91/308/EEC concerning prevention of money laundering, in relation to the

identification of the Issuer and those acting on its behalf, for the purposes of the issue of the Securities or if no such laws or regulations apply, appropriate action equivalent to the requirements under Council Directive No 91/308/EEC; and

(b) it will provide any Manager on request with certified copies of the relevant underlying evidence of identification of the Issuer and those acting on its behalf for the purposes of the issue of the Securities, as aforesaid.

In taking such action as it deems appropriate, the Settlement Lead Manager accepts no liability for any direct or indirect loss to the Managers in relation to any action taken by it under this Clause.

## 12. SURVIVAL OF RIGHTS

Completion of the subscription or purchase of the Securities by the Managers shall not terminate any rights which any party may have under this Agreement, which shall continue in full force and effect.

## 13. GOVERNING LAW AND JURISDICTION

This Agreement, as to which time shall be of the essence, shall be governed by and construed in accordance with English law. With respect to any suit, action or proceedings relating to this Agreement (“**Proceedings**”), each party irrevocably submits to the jurisdiction of the English courts and waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such party.

Nothing in this Agreement precludes any party from bringing Proceedings in any other jurisdiction (outside the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions (outside the Contracting States) preclude the bringing of Proceedings in any such other jurisdiction.

## SCHEDULE

<i>Closing Date</i>	The date defined as such in the Subscription Agreement.
<i>Combined Commission</i>	The combined management and underwriting commission set out in the Invitation to Managers.
<i>Commitments</i>	The amounts severally underwritten by the Managers as set out in the Commitment Notification.
<i>Commitment Notification</i>	The telex, fax, electronic message or other document notifying each Manager by or on behalf of the Lead Manager of that Manager's underwriting commitment.
<i>Defaulter</i>	Any person to whom Securities have been allotted for subscription or purchase and who defaults on that obligation, or whom the Settlement Lead Manager in its absolute discretion believes will so default.
<i>Default Securities</i>	In relation to any Defaulter, the Securities in respect of which it has defaulted, or the Settlement Lead Manager believes it will default.
<i>Guarantor</i>	The Guarantor, if any, of the issue.
<i>Global Instrument</i>	Includes any global instrument to be delivered by the Issuer, as provided for in the Subscription Agreement.
<i>Invitation to Managers</i>	The telex, fax, electronic message or other document inviting each Manager to participate in the issue.
<i>Issuer</i>	The issuer of the Securities.
<i>Joint Bookrunners</i>	The Managers (if any) identified as such in the Invitation to Managers or the Subscription Agreement.
<i>Lead Manager</i>	The Manager expressed to be the Lead Manager in the Invitation to Managers or as notified by any subsequent telex, fax, electronic message or other document.
<i>Managers</i>	The parties named as such in the Subscription Agreement.
<i>Pot</i>	The amount of Securities that instead of being allotted to the Managers is sold by the Settlement Lead Manager

	to purchasers whose names and orders are given to it by the Managers or the Issuer.
<i>Reoffer Price</i>	The price defined as such in the Invitation to Managers or, if none, means the price below which the Managers were told they should not reoffer the Securities until notified otherwise.
<i>Securities</i>	The securities to be issued as described in the Invitation to Managers.
<i>Selling Price</i>	The price at which the Managers agree to subscribe or purchase the Securities under the Subscription Agreement (that is, the gross issue price less any selling concession or commission).
<i>Settlement Lead Manager</i>	The Lead Manager or, if there is more than one Lead Manager, the Lead Manager so specified in the Invitation to Managers or, if none, the Manager who makes arrangements for the issue and payment of the Securities with the clearing system or systems.
<i>Signing Authority</i>	The document from a Manager which purports to appoint an authorised attorney or signatory to execute the Subscription Agreement.
<i>Stabilisation Securities</i>	The securities in respect of which the right to carry out stabilising action has been reserved in any circular or prospectus pursuant to the Conduct of Business Rules of the Financial Services Authority.
<i>Stabilising Manager</i>	The person identified as having the right to stabilise the Stabilisation Securities in any circular or prospectus pursuant to the Conduct of Business Rules of the Financial Services Authority.
<i>Subscription Agreement</i>	The agreement (sometimes called an “underwriting agreement”, “terms agreement” or “purchase agreement”) between the Issuer, the Guarantor (if appropriate), the Lead Manager and the other Managers setting out the terms and conditions upon which the Managers agree to subscribe the Securities.

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## AGREEMENT AMONG MANAGERS

Version 2  
(Managers and Separate Selling Group – Fixed-Price  
Non Equity-Related Issues)

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### EXPLANATORY NOTE

#### IPMA Standard Form Agreement Among Managers

A. The IPMA Standard Form Agreement Among Managers Version 2 is intended for use in fixed- price non-equity-related issues where there is a separate Selling Group and where there is no intention to charge stabilisation losses to the Managers. It also assumes that the IPMA Recommendation that cost overruns should not be charged to co-managers is to be followed. This Agreement may require modification, in particular, for issues using a pot system. For example, if the pot system being used involves the Lead Manager making allocations and subscribing the whole issue itself, Clause 3 will not work as drafted, because it can only be triggered if the Lead Manager itself defaults. Where modifications are required, they should be set out in the Invitation to Managers. This revision of Version 2 will apply in respect of all issues using Version 2 where the Invitation to Managers is sent on or after 1 March 2001.

B. This version of the IPMA Standard Form Agreement Among Managers will be used when the Invitation to Managers contains the words:

*Agreement Among Managers: IPMA Version 2.*

C. In the request to each Manager to appoint authorised signatories to execute agreements on its behalf the following language should be inserted:

*The execution of the Subscription Agreement by or on behalf of all parties will constitute your acceptance of the IPMA Agreement Among Managers Version 2 subject to any amendment notified to you in writing at any time prior to the earlier of the receipt by the Lead Manager or the Settlement Lead Manager of the document appointing your authorised signatory and the execution of the Subscription Agreement.*

The effect of adding these words is that each Manager will become bound by this version of the Standard Form Agreement Among Managers (with the appropriate variations) by virtue of having become bound by the Subscription Agreement.

If there are to be no Signing Authorities, because all Managers are to sign the Subscription Agreement, the Subscription Agreement (or some other contract to be signed between the Managers) should include a provision confirming acceptance of the IPMA Agreement Among Managers Version 2.

D. The Agreement contemplates that the Lead Manager or the Settlement Lead Manager will notify each co-Manager of the net amount due from it at Closing (i.e. after deduction of the Combined Commission due to it). In making that notification, the Lead Manager or Settlement Lead Manager should make an appropriate adjustment for any praecipium.

E. The Agreement is suitable for issues where (a) the obligations of the Managers are to be joint and several and (b) the closing of the issue is to be through the Euroclear System (the “Euroclear System”) and/or Clearstream, Luxembourg. It may also be used where other clearing systems are involved, as indicated in the Invitation to Managers. Where the obligations of the Managers are not joint and several, significant amendments may be required before the Agreement will be suitable for use.

F. The Agreement provides for the possibility that there may be more than one Lead Manager. There is no uniform practice in the market as to how the roles typically associated with a sole Lead Manager are divided between (or shared by) joint Lead Managers. Accordingly, the Agreement assumes, by default, that, apart from the roles of Stabilising Manager and Settlement Lead Manager, the roles are to be carried out jointly, unless the Invitation to Managers or the Subscription Agreement indicate otherwise (see Clause 9). Where there is any conflict between the Subscription Agreement, the Invitation to Managers and this Agreement in relation to the roles of joint Lead Managers, the Subscription Agreement should prevail.

Care should be taken in identifying circumstances where it would be inappropriate for the powers to be exercised jointly. For example, if one of the joint Lead Managers is an affiliate of the Issuer, it would usually be inappropriate for that Lead Manager’s consent to be required before an event of force majeure is deemed to have arisen.

The Terms of the Agreement Among Managers in respect of each issue where this form of Agreement has been selected for use are as follows (subject, in the case of each Manager, to any amendment notified to that Manager in writing at any time prior to the time when the Signing Authority granted by that Manager to the Lead Manager to which such Signing Authority is being granted is received by it or, where no Signing Authority is granted by that Manager, the date on which that Manager signs the Subscription Agreement and the Selling Group Agreement). Terms used in this Agreement have the meanings assigned to them in the attached Schedule. Where this Agreement Among Managers has been selected for use, it is conditional upon and will take effect upon the execution of the Subscription Agreement for the relevant issue of Securities.

## **1. OFFERING**

The Managers confirm that the Lead Manager, as agent of the Issuer, has offered or will offer the Securities to the Selling Group on the terms of the Selling Group Agreements and the Selling Group Invitation referred to therein and/or the Managers. Each Manager confirms that the Lead Manager has been authorised to execute, on its behalf, the Selling Group Agreements with the Selling Group.

## **2. UNDERWRITING**

The Securities will as between the Managers be severally underwritten by the Managers in the amounts set out in the Commitment Notification.

## **3. SUBSCRIPTION BY MANAGERS**

If any Selling Group Member or Manager defaults in its obligation to subscribe or purchase any amount of Securities offered to it as described in Clause 1, or if the Lead Manager in its absolute discretion believes that any Selling Group Member or Manager will so default:

- (1) the Lead Manager may require each non-defaulting Manager who has agreed to subscribe or purchase Securities as a result of offers described in Clause 1 in a principal amount which is less than its Commitment, to subscribe or purchase additional Securities, but

so that no non-defaulting Manager shall, under this paragraph (1) and as a result of offers accepted by it as described in Clause 1 be obliged to subscribe or purchase a principal amount of Securities in excess of its Commitment. In exercising its rights under this paragraph, the Lead Manager shall allocate Securities to each non-defaulting Manager to whom the paragraph applies in proportion to their Commitments, subject to paragraphs (4) and (5);

- (2) if any Securities remain to be subscribed or purchased after paragraph (1) has been applied, the Lead Manager may require each of the non-defaulting Managers to subscribe or purchase such Securities in proportion to their Commitments;
- (3) the Lead Manager may adjust the amount of Securities it requires any Manager to subscribe or purchase under this Clause up or down to such extent as it may deem expedient and equitable so as to ensure that no Manager is required to subscribe or pay for a fraction of any Security;
- (4) as an alternative and/or in addition to paragraphs (1) and/or (2), the Lead Manager may, in its absolute discretion, itself subscribe or purchase any Securities to which this Clause applies and offer them to any person (whether or not a Manager) or retain them for its own account;
- (5) any Securities to which this Clause relates will be subscribed or purchased by the non-defaulting Managers (or, in the case of paragraph (4), the Lead Manager) at the Selling Price, but (where this Clause applies to such Securities by reason of a default by a Manager) after deduction of the defaulting Manager's Combined Commission, divided among the non-defaulting Managers (or, in the case of paragraph (4), the Lead Manager) in proportion to the amount of Securities taken up by them under this Clause, which amount shall be notified to each non-defaulting Manager by the Lead Manager.

#### **4. AUTHORITY TO LEAD MANAGER**

Each of the Managers authorises (in the case of sub-paragraphs (1) and (2)) the Settlement Lead Manager and (in the case of paragraph (3)) the Lead Manager as its agent and on its behalf to do whatever that Manager



is (or all the Managers together are) required or entitled to do under the Subscription Agreement or the Selling Group Agreements including:

- (1) entering into such arrangements with the Euroclear System and Clearstream, Luxembourg, or such other clearing system as may be specified for closing of the issue in the Invitation to Managers (or the entities through whom they act) as the Settlement Lead Manager reasonably believes to be appropriate to effect payment for and delivery of the Global Instrument delivered in respect of the Securities;
- (2) borrowing for the account of the non-defaulting Managers, for their several accounts in proportion to their respective Commitments, such sum as may be necessary in order that payment to the Issuer can be effected as specified in the Subscription Agreement and the Settlement Lead Manager may pay interest at then current rates;
- (3) waiving compliance with any of the conditions referred to in the Subscription Agreement in respect of which the right of waiver is reserved.

As an alternative to borrowing under paragraph (2), the Settlement Lead Manager may as principal lend, and may charge interest at then current rates on, such sums as are referred to in that paragraph *mutatis mutandis* on the terms of that paragraph.

Any amounts due from any Manager as a result of any borrowing made on its behalf, or any loan to it, will be paid forthwith upon demand.

## **5. STABILISATION**

### **(a) Stabilising Manager**

Each Manager acknowledges that the Stabilising Manager is appointed stabilising manager for the Stabilisation Securities. However, this Clause does not authorise the Stabilising Manager to carry out stabilisation and/or over-allotment transactions on behalf of the Managers. Any such transactions shall be for the Stabilising Manager's own account (or that of the Lead Manager, if so agreed with the Stabilising Manager) and shall be effected in accordance with applicable laws.

### (b) Non-Stabilisation Agreement

No Manager other than the Stabilising Manager (and any lawful regional stabilising manager) will effect any transactions (whether in the open market or otherwise) with a view to stabilising or maintaining the market price of the Stabilisation Securities at levels other than those which might otherwise prevail.

## **6. EXPENSES**

### (a) Retention

The amount paid by the Issuer or the Guarantor in respect of Managers' expenses shall be retained by the Lead Manager for its own account. The other Managers will not be reimbursed for any of their expenses in connection with the issue of the Securities.

### (b) Expenses on Termination

If the obligations of the Managers under the Subscription Agreement to subscribe or purchase the Securities are terminated, the Managers agree to contribute (subject to the aggregate amount of such contribution not exceeding the lower of 6 per cent of the Combined Commission and 20 per cent of the amount reimbursable by the Issuer (failing whom the Guarantor) in respect of expenses) in proportion to their respective Commitments in meeting any direct out-of-pocket expenses incurred by the Lead Manager which are not recoverable and/or are not recovered from the Issuer or the Guarantor under the Subscription Agreement.

## **7. TERMINATION**

If any Manager wishes to terminate its obligations to subscribe or purchase the Securities under the Subscription Agreement, it shall consult with the Lead Manager who shall, to the extent the Lead Manager considers reasonably practicable, consult with the other Managers. The Lead Manager may in any event, on behalf of the Managers and in its sole discretion, give notice of such termination to the Issuer in accordance with the terms of the Subscription Agreement and shall not be responsible to

any Manager for any consequences resulting from any such notice. No other Manager may give any such notice and the Lead Manager may not be required to give, or not to give, such notice.

## **8. PARTNERSHIP**

None of the provisions of this Agreement or any other agreement relating to the Securities shall constitute or be deemed to constitute a partnership or joint venture between the Managers or any of them, or between them (or any of them) and anyone else, and, except as specifically provided, none of the Managers shall have any authority to bind any other Manager in any way.

## **9. JOINT LEAD MANAGERS**

Where there is more than one Lead Manager or Joint Bookrunners, any reference in this Agreement to the “Lead Manager” shall be construed:

(a) where any activity is expressed in the Invitation to Managers or the Subscription Agreement to be exercisable by one or more of the Lead Managers or Joint Bookrunners, as a reference, in relation to that activity, to that (those) Lead Manager(s) or Joint Bookrunner(s) and

(b) in all other cases, as a reference to each of the Lead Managers or Joint Bookrunners and so that any right, discretion or authority shall be carried out by them jointly.

Where there is any conflict between the Subscription Agreement, the Invitation to Managers and this Agreement in relation to the roles of joint Lead Managers or Joint Bookrunners, the Subscription Agreement will prevail.

## **10. SURVIVAL OF RIGHTS**

Completion of the subscription or purchase of the Securities by the Managers shall not terminate any rights which any party may have under this Agreement, which shall continue in full force and effect.

## 11. GOVERNING LAW AND JURISDICTION

This Agreement, as to which time shall be of the essence, shall be governed by and construed in accordance with English law. With respect to any suit, action or proceedings relating to this Agreement (“Proceedings”), each party irrevocably submits to the jurisdiction of the English courts and waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such party.

Nothing in this Agreement precludes any party from bringing Proceedings in any other jurisdiction (outside the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions (outside the Contracting States) preclude the bringing of Proceedings in any such other jurisdiction.

## SCHEDULE

<i>Closing Date</i>	The date defined as such in the Subscription Agreement.
<i>Combined Commission</i>	The combined management and underwriting commission set out in the Invitation to Managers.
<i>Commitments</i>	The amounts severally underwritten by the Managers as set out in the Commitment Notification.
<i>Commitment Notification</i>	The telex, fax, electronic message or other document notifying each Manager by or on behalf of the Lead Manager of that Manager's underwriting commitment.
<i>Guarantor</i>	The Guarantor, if any, of the issue.
<i>Global Instrument</i>	Includes any global instruments to be delivered by the Issuer, as provided for in the Subscription Agreement.
<i>Invitation to Managers</i>	The telex, fax, electronic message or other document inviting each Manager to participate in the issue.
<i>Issuer</i>	The issuer of the Securities.
<i>Joint Bookrunners</i>	The Managers, if any, identified as such in the Invitation to Managers or the Subscription Agreement.
<i>Lead Manager</i>	The Manager expressed to be the Lead Manager in the Invitation to Managers or as notified by any subsequent telex, fax, electronic message or other document.
<i>Managers</i>	The parties named as such in the Subscription Agreement.
<i>Securities</i>	The securities to be issued as described in the Invitation to Managers.
<i>Selling Group</i>	The group consisting of certain banks, brokers and dealers (which may include Managers) selected by the Lead Manager.

<i>Selling Group Agreement</i>	The agreement (which may be, once the relevant confirmation has been received, the Selling Group Invitation) between members of the Selling Group setting out the terms and conditions upon which members of the Selling Group agree to subscribe the Securities.
<i>Selling Group Invitation</i>	The telexes, faxes, electronic messages or other documents sent to each member of the Selling Group by or on behalf of the Lead Manager inviting each such member to participate in the issue.
<i>Selling Price</i>	The price at which the Managers agree to subscribe or purchase the Securities under the Subscription Agreement (that is, the gross issue price less any selling concession or commission).
<i>Settlement Lead Manager</i>	The Lead Manager or, if there is more than one Lead Manager, the Lead Manager so specified in the Invitation to Managers or, if none, the Manager who makes arrangements for the issue and payment of the Securities with the clearing system or systems.
<i>Signing Authority</i>	The document from a Manager which purports to appoint an authorised attorney or signatory to execute the Subscription Agreement.
<i>Stabilisation Securities</i>	The securities in respect of which the right to carry out stabilising action has been reserved in any circular or prospectus pursuant to the Conduct of Business Rules of the Financial Services Authority.
<i>Stabilising Manager</i>	The person identified as having the right to stabilise the Stabilisation Securities in any circular or prospectus pursuant to the Conduct of Business Rules of the Financial Services Authority.
<i>Subscription Agreement</i>	The agreement (sometimes called an “underwriting agreement”, “terms agreement” or “purchase agreement”) between the Issuer, the Guarantor (if appropriate), the Lead Manager and the other Managers setting out the terms and conditions upon which the Managers agree to subscribe the Securities.

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## AGREEMENT AMONG MANAGERS

French Law Versions  
Versions for Issues Governed by French Law  
(Non Equity-Related Issues)

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The following Clauses amend the Clauses of the same numbers in Versions 1 and 2 of the Agreement Among Managers so that the Agreements can be applied to issues governed by French law. Apart from these amendments, the French Law Versions 1 and 2 of the Agreement Among Managers are identical to the English Law versions reproduced in full in this IPMA Handbook. Where a French Law Version of the Agreement Among Managers is used, the Agreement Among Managers can be designated *French Version 1* or *French Version 2*, as appropriate.

### Clause 1

Delete the words *as agents of the Issuer*.

### Clause 3 préambule

Delete the words *in its absolute discretion*.

### Clause 3(5)

Delete the words *in its absolute discretion*.

### Clause 4(1)

This Clause should read as follows:

*(1) entering into such arrangements with Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear System, Cedel Bank société anonyme and, if applicable, Société Interprofessionnelle pour la Compensation des Valeurs Mobilières as the Lead Manager reasonably believes to be appropriate to effect payment for, and delivery of the Global*

*Instrument delivered in respect of, the Securities in accordance with the ISMA Primary Market Settlements recommendations;*

## **Clause 8**

This Clause should read as follows:

### **8. PARTNERSHIP**

*None of the provisions of this Agreement or any other agreement relating to the Securities shall constitute or be deemed to constitute a partnership, joint venture or other foreign legal institution between the Managers or any of them, or between them (or any of them) and anyone else, and, except as specifically provided, none of the Managers shall have any authority to bind any other Manager in any way.*

## **Clause 10**

Delete Clause 10 and insert the words:

*This Agreement shall be governed by and construed in accordance with French law. The parties agree that the Paris Tribunal de Commerce shall have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement. To the extent permitted by applicable laws and treaties, each party reserves the right to waive the benefit of this provision and to take proceedings in any other court of competent jurisdiction.*

## **Schedule**

Delete the Definition of Global Instrument and insert the amended definition:

*Global Instrument*      *Includes any instrument or certificate to be delivered by the Issuer in respect of the Securities.*



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## AGREEMENT AMONG MANAGERS

### German Law Versions Versions for Issues Governed by German Law

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The following Clauses amend the Clauses of the same numbers in Versions 1, 2 and 3 of the Agreement Among Managers so that the Agreements can be applied to Issues governed by German law. Apart from these amendments, the German Law Versions 1, 2 and 3 of the Agreement Among Managers are identical to the English Law versions reproduced in full in this IPMA handbook. Where a German Law Version of the Agreement Among Managers is used, the Agreement Among Managers can be designated *German Version 1*, *German Version 2*, or *German Version 3* as appropriate.

(The German Law Versions take account of the practices used for Deutsche Mark issues. For other issues governed by German law, the standard (i.e. non-German) Versions 1, 2 and 3 of the Agreement Among Managers may be appropriate with some only of the amendments set out below. In such cases, a phrase like (*German Clauses 1 and 10 only*) can be added after *Version 1*, *2* or *3*.)

#### **Clause 1**

Delete the words *as agents of the Issuer*.

#### **Clause 4(1)**

Delete Clause 4(1).

#### **Clause 10**

Delete Clause 10 and insert the words:

*This Agreement shall be governed by and construed in accordance with the law of the Federal Republic of Germany. The courts of Frankfurt am Main, Federal Republic of Germany, shall have non-*

*exclusive jurisdiction over any dispute arising under or in connection with this Agreement and each party irrevocably submits to the jurisdiction of such German courts.*

## **Schedule**

Delete the definition of *Stabilisation Securities* and insert the amended definition:

*The securities (i) which are the subject of the distribution contemplated hereby or (ii) in respect of which the right to carry out stabilising action has been reserved in any circular or prospectus.*

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## AGREEMENT AMONG MANAGERS

New York Law Versions  
Versions for Issues Governed by New York Law

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The following Clauses amend the Clauses of the same numbers in Versions 1, 2 and 3 of the Agreement Among Managers so that the Agreements can be applied to Issues governed by New York Law. Apart from these amendments, the New York Law Versions 1, 2 and 3 of the Agreement Among Managers are identical to the English Law Versions reproduced in full in this IPMA handbook. Where a New York Law Version of the Agreement Among Managers is used, the Agreement Among Managers can be designated *New York Version 1*, *New York Version 2* or *New York Version 3*, as appropriate.

### Clause 1

Delete the words *as agents of the Issuer*.

### Clause 10

Delete Clause 10 and insert the words:

*This Agreement shall be governed by and construed in accordance with the law of the State of New York. With respect to any suit, action or proceedings relating to this Agreement (“Proceedings”), each party irrevocably submits to the non-exclusive jurisdiction of the courts of the State of New York sitting in New York City and Federal courts sitting therein and, to the fullest extent that it may do so, waives (i) any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, (ii) any claim that such Proceedings have been brought in an inconvenient forum and (iii) the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such party.*

*Nothing in this Agreement precludes any party from bringing Proceedings in any other jurisdiction, nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any such other jurisdiction.*

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**AGREEMENT AMONG MANAGERS**

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**FRENCH, GERMAN AND NEW YORK  
LAW VERSIONS**

The following versions 1 and 2 of the English law Agreement Among Managers, dated January 2000, are for use with the French, German and New York Law Schedules.

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## AGREEMENT AMONG MANAGERS

Version 1  
(Managers only – Fixed-Price  
Non Equity-Related Issues)

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### EXPLANATORY NOTE

#### IPMA Standard Form Agreement Among Managers

A. The IPMA Standard Form Agreement Among Managers Version 1 is intended for use in fixed-price non equity-related issues where there is no intention to charge stabilisation losses to the Managers. It also assumes that the IPMA Recommendation that cost overruns should not be charged to co-Managers is to be followed. This revision of Version 1 will apply in respect of all issues using Version 1 where the Invitation Telex is sent on or after 8 April 1991.

B. This version of the IPMA Standard Form Agreement Among Managers will be used when the Invitation Telex contains the words:

*Agreement Among Managers: IPMA Version 1.*

C. In the telex requesting each Manager to appoint authorised signatories to execute agreements on its behalf the following language should be inserted:

*The execution of the Subscription Agreement by or on behalf of all parties will constitute your acceptance of the IPMA Agreement Among Managers Version 1 subject to any amendment notified to you in writing at any time prior to the earlier of the receipt by the Lead Manager of the document appointing your authorised signatory and the execution of the Subscription Agreement.*

The effect of adding these words is that each Manager will become bound by this version of the Standard Form Agreement Among Managers (with the appropriate variations) by virtue of having become bound by the Subscription Agreement.

D. The Agreement contemplates that the Lead Manager will notify each co-Manager of the net amount due from it at Closing (i.e. after deduction of the Combined Commission due to it). In making that notification, the Lead Manager should make an appropriate adjustment for any praecipium.

E. Clause 3 has been amended since Version 1 was first issued. The previous version was based on existing precedents widely used in the market, which had developed over a long period of time. It was felt that this language had become over-complicated and the new version represents a simplification, whilst retaining the substance of the previous version.

The Terms of the Agreement Among Managers in respect of each issue where this form of agreement has been selected for use are as follows (subject, in the case of each Manager, to any amendment notified to that Manager in writing at any time prior to the time when the Power of Attorney granted by that Manager to the Lead Manager is received by it or, where no Power of Attorney is granted by that Manager, the date on which that Manager signs the Subscription Agreement). Terms used in this Agreement have the meanings assigned to them in the attached Schedule. Where this Agreement Among Managers has been selected for use, it is conditional upon and will take effect upon the execution of the Subscription Agreement for the relevant issue of Securities.

## **1. OFFERING**

The Managers confirm that the Lead Manager, on their behalf, as agents of the Issuer, has offered or will offer the Securities to Managers in the amounts already notified to each Manager by the Lead Manager.

## **2. UNDERWRITING**

The Securities will as between the Managers be severally underwritten by the Managers in the amounts set out in the Commitment Telex.

## **3. SUBSCRIPTION BY MANAGERS**

If any Manager defaults in its obligation to subscribe any amount of Securities offered to it as described in Clause 1, or if the Lead Manager in its absolute discretion believes that any Manager will so default:

- (1) the Lead Manager may require each non-defaulting Manager who has agreed to subscribe Securities as a result of offers described in Clause 1 in a principal amount which is less than its Commitment, to subscribe or purchase additional Securities, but so that no non-defaulting Manager shall, under this paragraph (1) and as a result of offers accepted by it as described in Clause 1 be obliged to



subscribe or purchase a principal amount of Securities in excess of its Commitment. In exercising its rights under this paragraph, the Lead Manager shall allocate Securities to each non-defaulting Manager to whom the paragraph applies in proportion to their Commitments, subject to paragraphs (4) and (5);

- (2) if any Securities remain to be subscribed or purchased after paragraph (1) has been applied, the Lead Manager may require each of the non-defaulting Managers to subscribe or purchase such Securities in proportion to their Commitments;
- (3) any Securities to which this Clause relates will be subscribed or purchased by the non-defaulting Managers at the Selling Price, but after deduction of the defaulting Manager's Combined Commission, divided among the non-defaulting Managers in proportion to the amount of Securities taken up by them under this Clause, which amount shall be notified to each non-defaulting Manager by the Lead Manager;
- (4) the Lead Manager may adjust the amount of Securities it requires any Manager to subscribe or purchase under this Clause up or down to such extent as it may deem expedient and equitable so as to ensure that no Manager is required to subscribe or pay for a fraction of any Security;
- (5) as an alternative and/or in addition to paragraphs (1) and/or (2), the Lead Manager may, in its absolute discretion, offer any Securities to which this Clause applies to any person (whether or not a Manager) or may retain them for its own account.

#### **4. AUTHORITY TO LEAD MANAGER**

Each of the Managers authorises the Lead Manager as its agent and on its behalf to do whatever that Manager is (or all the Managers together are) required or entitled to do under the Subscription Agreement including:

- (1) entering into such arrangements with Morgan Guaranty Trust Company of New York, Brussels office, as operator of the

Euroclear system and Centrale de Livraison de Valeurs Mobilières SA as the Lead Manager reasonably believes to be appropriate to effect payment for and delivery of the Global Instrument delivered in respect of the Securities in accordance with the ISMA Primary Market Settlements recommendations;

- (2) borrowing for the account of the non-defaulting Managers, for their several accounts in proportion to their respective Commitments, such sum as may be necessary in order that payment to the Issuer can be effected as specified in the Subscription Agreement and the Lead Manager may pay interest at then current rates;
- (3) waiving compliance with any of the conditions referred to in the Subscription Agreement in respect of which the right of waiver is reserved.

As an alternative to borrowing under paragraph (2), the Lead Manager may as principal lend, and may charge interest at then current rates on, such sums as are referred to in that paragraph mutatis mutandis on the terms of that paragraph.

Any amounts due from any Manager as a result of any borrowing made on its behalf, or any loan to it, will be paid forthwith upon demand.

## 5. STABILISATION

### (a) Stabilising Manager

Each Manager acknowledges that the Lead Manager is appointed stabilising Manager for the Stabilisation Securities. However, this Clause does not authorise the Lead Manager to carry out stabilisation and/or over-allotment transactions on behalf of the Managers. Any such transactions shall be for the Lead Manager's own account and shall be effected in accordance with applicable laws.

### (b) Non-Stabilisation Agreement

No Manager other than the Lead Manager (and any lawful regional stabilising Manager) will effect any transactions (whether in the open market or otherwise) with a view to stabilising or maintaining the market

price of the Stabilisation Securities at levels other than those which might otherwise prevail.

## **6. EXPENSES**

### **(a) Retention**

The amount paid by the Issuer or the Guarantor in respect of Managers' expenses shall be retained by the Lead Manager for its own account. The other Managers will not be reimbursed for any of their expenses in connection with the issue of the Securities.

### **(b) Expenses on Termination**

If the obligations of the Managers under the Subscription Agreement to subscribe the Securities are terminated, the Managers agree to contribute (subject to the aggregate amount of such contribution not exceeding the lower of 6% of the Combined Commission and 20% of the amount reimbursable by the Issuer (failing whom the Guarantor) in respect of expenses) in proportion to their respective Commitments in meeting any direct out-of-pocket expenses incurred by the Lead Manager which are not recoverable and/or are not recovered from the Issuer or the Guarantor under the Subscription Agreement.

## **7. TERMINATION**

If any Manager wishes to terminate its obligations to subscribe the Securities under the Subscription Agreement, it shall consult with the Lead Manager who shall, to the extent the Lead Manager considers reasonably practicable, consult with the other Managers. The Lead Manager may in any event, on behalf of the Managers and in its sole discretion, give notice of such termination to the Issuer in accordance with the terms of the Subscription Agreement and shall not be responsible to any Manager for any consequences resulting from any such notice. No other Manager may give any such notice and the Lead Manager may not be required to give, or not to give, such notice.

## 8. PARTNERSHIP

None of the provisions of this Agreement or any other agreement relating to the Securities shall constitute or be deemed to constitute a partnership or joint venture between the Managers or any of them, or between them (or any of them) and anyone else, and, except as specifically provided, none of the Managers shall have any authority to bind any other Manager in any way.

## 9. INDEMNITY

The Managers agree, whether or not the Securities shall have been issued and settlement made of all other rights and obligations under this Agreement, to contribute (without regard to the limit set out in Clause 6(b)) in proportion to their respective Commitments towards (a) all expenses incurred by the Lead Manager and not reimbursed by the Issuer or the Guarantor or any other person in investigating or defending any claim or proceeding which is asserted or commenced by any party (including any governmental or regulatory body) in connection with the issue and offering or proposed issue and offering of the Securities (other than any such claim or proceeding as may arise from the gross negligence or wilful misconduct of the Lead Manager) and (b) any liability, including legal fees, incurred by the Lead Manager in respect of any such claim or proceeding, whether such liability shall be the result of a judgment or of any settlement agreed by the Lead Manager (other than any such expense or liability as to which the Lead Manager receives indemnity in the form of payment from any other person or which arises out of the Lead Manager's gross negligence or wilful misconduct). Further, the Managers confirm their authority to the Lead Manager to take such action in that respect on behalf of the Managers as, in its absolute discretion, the Lead Manager considers appropriate. The Lead Manager shall notify the other Managers of any such claim or proceeding and shall (without prejudice to its foregoing authority), to the extent it considers reasonably practicable, consult the other Managers before taking any decision which the Lead Manager at the time believes may have a substantial effect on the outcome of any such claim or proceeding which it then considers material.

## 10. GOVERNING LAW AND JURISDICTION

This Agreement, as to which time shall be of the essence, shall be governed by and construed in accordance with English law. With respect to any suit, action or proceedings relating to this Agreement (“Proceedings”), each party irrevocably submits to the jurisdiction of the English courts and waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such party.

Nothing in this Agreement precludes any party from bringing Proceedings in any other jurisdiction (outside the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions (outside the Contracting States) preclude the bringing of Proceedings in any such other jurisdiction.

## SCHEDULE

<i>Closing Date</i>	The date defined as such in the Subscription Agreement.
<i>Combined Commission</i>	The combined management and underwriting commission set out in the Invitation Telex.
<i>Commitments</i>	The amounts severally underwritten by the Managers as set out in the Commitment Telex.
<i>Commitment Telex</i>	The telex sent to each Manager by or on behalf of the Lead Manager setting out the names and underwriting commitments of all of the Managers. [Note: this information may be contained in the Invitation Telex.]
<i>Guarantor</i>	The Guarantor, if any, of the issue.
<i>Global Instrument</i>	Includes any global instrument to be delivered by the Issuer, as provided for in the Subscription Agreement.
<i>Invitation Telex</i>	The telex inviting each Manager to participate in the issue.
<i>Issuer</i>	The issuer of the Securities.
<i>Lead Manager</i>	The Manager expressed to be the Lead Manager in the Invitation Telex or as notified by any subsequent telex.
<i>Managers</i>	The parties named as such in the Subscription Agreement.
<i>Power of Attorney</i>	The document from a Manager appointing an authorised attorney to execute the Subscription Agreement.
<i>Securities</i>	The securities to be issued as described in the Invitation Telex.
<i>Selling Price</i>	The price at which the Managers agree to subscribe the Securities under the Subscription Agreement (that is, the gross issue price less any selling concession or commission).

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and New York Law Versions  
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*Stabilisation  
Securities*

The securities in respect of which the right to carry out stabilising action has been reserved in any circular or prospectus pursuant to the Conduct of Business Rules of the Securities and Investments Board.

*Subscription  
Agreement*

The agreement between the Issuer, the Guarantor (if appropriate), the Lead Manager and the other Managers setting out the terms and conditions upon which the Managers agree to subscribe the Securities.

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## AGREEMENT AMONG MANAGERS

Version 2  
(Managers and Separate Selling Group – Fixed-Price  
Non Equity-Related Issues)

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### EXPLANATORY NOTE IPMA Standard Form Agreement Among Managers

A. The IPMA Standard Form Agreement Among Managers Version 2 is intended for use in fixed-price non equity-related issues where there is a separate Selling Group and where there is no intention to charge stabilisation losses to the Managers. It also assumes that the IPMA Recommendation that cost overruns should not be charged to co-Managers is to be followed.

B. This version of the IPMA Standard Form Agreement Among Managers will be used when the Invitation Telex contains the words:

*Agreement Among Managers: IPMA Version 2.*

C. In the telex requesting each Manager to appoint authorised signatories to execute agreements on its behalf the following language should be inserted:

*The execution of the Subscription Agreement by or on behalf of all parties will constitute your acceptance of the IPMA Agreement Among Managers Version 2 subject to any amendment notified to you in writing at any time prior to the earlier of the receipt by the Lead Manager of the document appointing your authorised signatory and the execution of the Subscription Agreement.*



The effect of adding these words is that each Manager will become bound by this version of the Standard Form Agreement Among Managers (with the appropriate variations) by virtue of having become bound by the Subscription Agreement.

D. The Agreement contemplates that the Lead Manager will notify each co-Manager of the net amount due from it at Closing (i.e. after deduction of the Combined Commission due to it). In making that notification, the Lead Manager should make an appropriate adjustment for any praecipium.

The Terms of the Agreement Among Managers in respect of each issue where this form of agreement has been selected for use are as follows (subject, in the case of each Manager, to any amendment notified to that Manager in writing at any time prior to the time when the Power of Attorney granted by that Manager to the Lead Manager is received by it or, where no Power of Attorney is granted by that Manager, the date on which that Manager signs the Subscription Agreement and the Selling Group Agreement). Terms used in this Agreement have the meanings assigned to them in the attached Schedule. Where this Agreement Among Managers has been selected for use, it is conditional upon and will take effect upon the execution of the Subscription Agreement for the relevant issue of Securities.

## **1. OFFERING**

The Managers confirm that the Lead Manager, on their behalf, as agents of the Issuer, has offered or will offer the Securities to the Selling Group on the terms of the Selling Group Agreements and the Selling Group Telexes referred to therein and/or the Managers. Each Manager confirms that the Lead Manager has been authorised to execute, on its behalf, the Selling Group Agreements with the Selling Group.

## **2. UNDERWRITING**

The Securities will as between the Managers be severally underwritten by the Managers in the amounts set out in the Commitment Telex.

## **3. SUBSCRIPTION BY MANAGERS**

If any Selling Group member or Manager defaults in its obligation to subscribe any amount of Securities offered to it as described in Clause 1, or if the Lead Manager in its absolute discretion believes that any Selling Group member or Manager will so default:

- (1) the Lead Manager may require each non-defaulting Manager who has agreed to subscribe Securities as a result of offers described in

Clause 1 in a principal amount which is less than its Commitment, to subscribe or purchase additional Securities, but so that no non-defaulting Manager shall, under this paragraph (1) and as a result of offers accepted by it as described in Clause 1 be obliged to subscribe or purchase a principal amount of Securities in excess of its Commitment. In exercising its rights under this paragraph, the Lead Manager shall allocate Securities to each non-defaulting Manager to whom the paragraph applies in proportion to their Commitments, subject to paragraphs (4) and (5);

- (2) if any Securities remain to be subscribed or purchased after paragraph (1) has been applied, the Lead Manager may require each of the non-defaulting Managers to subscribe or purchase such Securities in proportion to their Commitments;
- (3) any Securities to which this Clause relates will be subscribed or purchased by the non-defaulting Managers at the Selling Price, but (where this Clause applies to such Securities by reason of a default by a Manager) after deduction of the defaulting Manager's Combined Commission, divided among the non-defaulting Managers in proportion to the amount of Securities taken up by them under this Clause, which amount shall be notified to each non-defaulting Manager by the Lead Manager;
- (4) the Lead Manager may adjust the amount of Securities it requires any Manager to subscribe or purchase under this Clause up or down to such extent as it may deem expedient and equitable so as to ensure that no Manager is required to subscribe or pay for a fraction of any Security;
- (5) as an alternative and/or in addition to paragraphs (1) and/or (2), the Lead Manager may, in its absolute discretion, offer any Securities to which this Clause applies to any person (whether or not a Manager) or may retain them for its own account.

#### **4. AUTHORITY TO LEAD MANAGER**

Each of the Managers authorises the Lead Manager as its agent and on its behalf to do whatever that Manager is (or all the Managers together are)

required or entitled to do under the Subscription Agreement or the Selling Group Agreements including:

- (1) entering into such arrangements with Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear system and Centrale de Livraison de Valeurs Mobilières SA as the Lead Manager reasonably believes to be appropriate to effect payment for and delivery of the Global Instrument delivered in respect of the Securities in accordance with the ISMA Primary Market Settlements recommendations;
- (2) borrowing for the account of the non-defaulting Managers, for their several accounts in proportion to their respective Commitments, such sum as may be necessary in order that payment to the Issuer can be effected as specified in the Subscription Agreement and the Lead Manager may pay interest at then current rates;
- (3) waiving compliance with any of the conditions referred to in the Subscription Agreement in respect of which the right of waiver is reserved.

As an alternative to borrowing under paragraph (2), the Lead Manager may as principal lend, and may charge interest at then current rates on, such sums as are referred to in that paragraph *mutatis mutandis* on the terms of that paragraph.

Any amounts due from any Manager as a result of any borrowing made on its behalf, or any loan to it, will be paid forthwith upon demand.

## 5. STABILISATION

### (a) Stabilising Manager

Each Manager acknowledges that the Lead Manager is appointed stabilising Manager for the Stabilisation Securities. However, this Clause does not authorise the Lead Manager to carry out stabilisation and/or over-allotment transactions on behalf of the Managers. Any such transactions shall be for the Lead Manager's own account and shall be effected in accordance with applicable laws.

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and New York Law Versions

### (b) Non-Stabilisation Agreement

No Manager other than the Lead Manager (and any lawful regional stabilising Manager) will effect any transactions (whether in the open market or otherwise) with a view to stabilising or maintaining the market price of the Stabilisation Securities at levels other than those which might otherwise prevail.

## 6. EXPENSES

### (a) Retention

The amount paid by the Issuer or the Guarantor in respect of Managers' expenses shall be retained by the Lead Manager for its own account. The other Managers will not be reimbursed for any of their expenses in connection with the issue of the Securities.

### (b) Expenses on Termination

If the obligations of the Managers under the Subscription Agreement to subscribe the Securities are terminated, the Managers agree to contribute (subject to the aggregate amount of such contribution not exceeding the lower of 6% of the Combined Commission and 20% of the amount reimbursable by the Issuer (failing whom the Guarantor) in respect of expenses) in proportion to their respective Commitments in meeting any direct out-of-pocket expenses incurred by the Lead Manager which are not recoverable and/or are not recovered from the Issuer or the Guarantor under the Subscription Agreement.

## 7. TERMINATION

If any Manager wishes to terminate its obligations to subscribe the Securities under the Subscription Agreement, it shall consult with the Lead Manager who shall, to the extent the Lead Manager considers reasonably practicable, consult with the other Managers. The Lead Manager may in any event, on behalf of the Managers and in its sole discretion, give notice of such termination to the Issuer in accordance with the terms of

the Subscription Agreement and shall not be responsible to any Manager for any consequences resulting from any such notice. No other Manager may give any such notice and the Lead Manager may not be required to give, or not to give, such notice.

## **8. PARTNERSHIP**

None of the provisions of this Agreement or any other agreement relating to the Securities shall constitute or be deemed to constitute a partnership or joint venture between the Managers or any of them, or between them (or any of them) and anyone else, and, except as specifically provided, none of the Managers shall have any authority to bind any other Manager in any way.

## **9. INDEMNITY**

The Managers agree, whether or not the Securities shall have been issued and settlement made of all other rights and obligations under this Agreement, to contribute (without regard to the limits set out in Clause 6(b)) in proportion to their respective Commitments towards (a) all expenses incurred by the Lead Manager and not reimbursed by the Issuer or the Guarantor or any other person in investigating or defending any claim or proceeding which is asserted or commenced by any party (including any governmental or regulatory body) in connection with the issue and offering or proposed issue and offering of the Securities (other than any such claim or proceeding as may arise from the gross negligence or wilful misconduct of the Lead Manager) and (b) any liability, including legal fees, incurred by the Lead Manager in respect of any such claim or proceeding, whether such liability shall be the result of a judgment or of any settlement agreed by the Lead Manager (other than any such expense or liability as to which the Lead Manager receives indemnity in the form of payment from any other person or which arises out of the Lead Manager's gross negligence or wilful misconduct). Further, the Managers confirm their authority to the Lead Manager to take such action in that respect on behalf of the Managers as, in its absolute discretion, the Lead Manager considers appropriate. The Lead Manager shall notify the other Managers of any such claim or proceeding and shall (without prejudice to its foregoing authority), to the extent it considers reasonably practicable, consult the other Managers before taking

any decision which the Lead Manager at the time believes may have a substantial effect on the outcome of any such claim or proceeding which it then considers material.

## **10. GOVERNING LAW AND JURISDICTION**

This Agreement, as to which time shall be of the essence, shall be governed by and construed in accordance with English law. With respect to any suit, action or proceedings relating to this Agreement (“Proceedings”), each party irrevocably submits to the jurisdiction of the English courts and waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such party.

Nothing in this Agreement precludes any party from bringing Proceedings in any other jurisdiction (outside the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions (outside the Contracting States) preclude the bringing of Proceedings in any such other jurisdiction.

## SCHEDULE

<i>Closing Date</i>	The date defined as such in the Subscription Agreement.
<i>Combined Commission</i>	The combined management and underwriting commission set out in the Invitation Telex.
<i>Commitments</i>	The amounts severally underwritten by the Managers as set out in the Commitment Telex.
<i>Commitment Telex</i>	The telex sent to each Manager by or on behalf of the Lead Manager setting out the names and underwriting commitments of all of the Managers. [Note: this information may be contained in the Invitation Telex.]
<i>Guarantor</i>	The Guarantor, if any, of the issue.
<i>Global Instrument</i>	Includes any global instrument to be delivered by the Issuer, as provided for in the Subscription Agreement.
<i>Invitation Telex</i>	The telex inviting each Manager to participate in the issue.
<i>Issuer</i>	The issuer of the Securities.
<i>Lead Manager</i>	The Manager expressed to be the Lead Manager in the Invitation Telex or as notified by any subsequent telex.
<i>Managers</i>	The parties named as such in the Subscription Agreement.
<i>Power of Attorney</i>	The document from a Manager appointing an authorised attorney to execute the Subscription Agreement.
<i>Securities</i>	The securities to be issued as described in the Invitation Telex.
<i>Selling Group</i>	The group consisting of certain banks, brokers and dealers (which may include Managers) selected by the Lead Manager.

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and New York Law Versions  
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<i>Selling Group Agreement</i>	The agreement (which may be, once the relevant confirmation has been received, the Selling Group Telex) between members of the Selling Group setting out the terms and conditions upon which members of the Selling Group agree to subscribe the Securities.
<i>Selling Group Telexes</i>	The telexes sent to each member of the Selling Group by or on behalf of the Lead Manager inviting each such member to participate in the issue.
<i>Selling Price</i>	The price at which the Managers agree to subscribe the Securities under the Subscription Agreement (that is, the gross issue price less any selling concession or commission).
<i>Stabilisation Securities</i>	The securities in respect of which the right to carry out stabilising action has been reserved in any circular or prospectus pursuant to the Conduct of Business Rules of the Securities and Investments Board.
<i>Subscription Agreement</i>	The agreement between the Issuer, the Guarantor (if appropriate), the Lead Manager and the other Managers setting out the terms and conditions upon which the Managers agree to subscribe the Securities.

## **IPMA STANDARD TERMS FOR SUBSCRIPTION AGREEMENTS**

### **DISCLAIMER**

Members and their professional advisers should consider the appropriateness of the Standard Form Subscription Agreement in each case where it is proposed that it should be used, and should modify it where necessary or advisable to take account of the special circumstances of the issue or of the issuer. The Standard Form sets out minimum terms only and IPMA accepts no responsibility in respect of such matters.

## **IPMA STANDARD TERMS FOR SUBSCRIPTION AGREEMENTS**

### **1. INTERPRETATION**

Terms used in this document have the same meanings as in the agreement into which they are incorporated (the “Subscription Agreement”).

### **2. THE ISSUE**

#### **(A) Subscription**

The Managers jointly and severally agree to subscribe the Securities at the Selling Price on the Closing Date, on the terms of the Subscription Agreement. Each Manager has complied, and will comply, with the Selling Restrictions and will indemnify the Issuer against the consequences which may result if it does not do so (unless its failure to do so is based upon legal advice received by it).

#### **(B) Issue**

The Issuer agrees to issue the Securities on the Closing Date to the Managers or as they may direct and (if there is one) the Guarantor agrees to give the Guarantee. Each of them will enter into each Specified Document to which it is to be a party, not later than its Specified Date and will obtain any Closing Consents on or before the Closing Date. Each confirms that the Managers may distribute copies of the Disclosure Document, and were authorised to circulate a draft of it, in connection with the offer and sale of the Securities.

### **3. STABILISATION**

Any stabilisation activities described in the Disclosure Document will not be carried out by the Lead Manager as agent for the Issuer or (if there is one) Guarantor and the Lead Manager will not account to them for any resulting profit, nor will they be liable for any loss. No more than the Issue Amount of the Securities will be issued.

## 4. LISTING

The Issuer agrees that the Securities will be listed on the Stock Exchange and the Issuer and (if there is one) the Guarantor will use all reasonable efforts to obtain and to maintain the listing. If it is unable to do so, having used such efforts, it will use all reasonable efforts to obtain a listing for the Securities on another stock exchange approved by the Lead Manager.

## 5. REPRESENTATIONS AND WARRANTIES

### (A) Warranties

The Issuer (together with the Guarantor (if there is one), on the Agreed Basis) represents and warrants to each Manager that:

- (1) Existence: it, and each of its Subsidiaries, exists as a legal entity with full power to own its assets and conduct its business in whatever jurisdiction those assets are located or that business is conducted;
- (2) Specified Documents and Securities: the Specified Documents to which it is, or is to be, a party and the Securities are, or (if to be entered into after the date of the Subscription Agreement) will when entered into be, its legally binding obligations, enforceable against it in accordance with their terms (subject to any qualifications in the legal opinions described as Closing Letters);
- (3) No Impediments: apart from the Closing Consents (if any), which will be obtained on or prior to the Closing Date, no action or thing (including the obtaining of any consent or licence or the making of any filing or registration) is required to be taken or done for the carrying out of any obligation by it or on its behalf, as contemplated by the Specified Documents. There is nothing which could prevent the carrying out of the transactions contemplated by the Specified Documents and the carrying out of such transactions will not conflict with its constitutional documents (if any) or any of its other obligations or any law to which it is subject;
- (4) Disclosure: the Disclosure Document contains all information with respect to it and to it and its Subsidiaries taken as a whole (its “Group”) which is material in the context of the issue and offering

of the Securities (including all information required by law and the Stock Exchange). The information contained in the Disclosure Document relating to it and its Group is, in all material respects, true, complete and not misleading and has been verified by it through all reasonable enquiries. Nothing has been omitted from the Disclosure Document which (if it had been included) would materially alter the meaning or significance of the information in the Disclosure Document. Where it consists of opinions or intentions, these are honestly held and have been reached after considering all relevant circumstances and are based on reasonable assumptions;

- (5) Financial Statements: its Specified Financial Statements were prepared in accordance with accounting principles and in accordance with the laws applicable to it, which have been applied on a consistent basis, except as disclosed in them. They present fairly the financial position and results of itself and its Group. Since the date of the Specified Financial Statements, there has been no material adverse change, or development involving a prospective material adverse change, in such position or results, except as disclosed in the Disclosure Document;
- (6) Litigation: there are no pending actions or proceedings against or affecting it or any of its Subsidiaries or any of its or their properties which, if determined adversely to any such entity, would individually or in the aggregate have a material adverse effect on its condition (financial or other), prospects, results of operations or general affairs or those of its Group, or on its ability to perform its obligations under the Specified Documents or the Securities or (if there is one) the Guarantee or which are otherwise material in the context of the issue of the Securities and, to the best of its knowledge, no such actions or proceedings are threatened or contemplated;
- (7) Events of Default: no event has occurred or circumstances have arisen which, had the Securities already been issued, might (whether or not with the giving of notice and/or the passage of time and/or the fulfilment of any other requirement) constitute an event described under “Events of Default” in the Securities;
- (8) Other Representations: the Representations (if any) set out in the Subscription Agreement are also part of this Agreement.

## (B) Repetition and Indemnity

The representations and warranties in Clause 5(A) must remain true, even though circumstances change, up to and including the Closing Date. The Issuer (and the Guarantor, if there is one, on the Agreed Basis) agrees with each Manager that it will indemnify such Manager and each of its officers or employees and each United States Person who controls such Manager for the purpose of Section 15 of the Securities Act against any consequences, direct or indirect, which such Manager, officer or employee or United States Person may suffer (i) as a result of any of the matters represented or warranted by the Issuer or (if there is one) the Guarantor in relation to the issue not being, or being alleged not to be, as represented or warranted and (ii) notwithstanding that such Manager investigates whether the matters represented or warranted are true.

## 6. UNDERTAKINGS

The Issuer (jointly and severally with the Guarantor, if there is one):

### (A) Taxes

will pay any documentary or issue or registration fees payable in any Specified Jurisdiction in connection with the Specified Documents or the transactions contemplated therein or the Securities and any value added or other similar tax payable in respect of any amount payable to the Managers hereunder; and

### (B) Warranties

will promptly notify the Lead Manager if, on any day, it is unable to repeat the representations and warranties in Clause 5(A).

## 7. CONDITIONS

### (A) Conditions

The obligations of the Managers to subscribe the Securities are conditional on:

- (1) Listing: the Securities being listed on the Stock Exchange, subject only to the issue of the Closing Security, or the Lead Manager being satisfied that they will be listed shortly after the Closing Date;

- (2) Closing Letters: the Closing Letters having been delivered to the Managers on, and dated as of, their Specified Dates;
- (3) Representations and Warranties: the representations and warranties in Clause 5(A) being true up to and including the Closing Date;
- (4) Performance: each of the Issuer and the Guarantor (if there is one) having complied with all its obligations to be performed under the Subscription Agreement on or by the Closing Date;
- (5) Closing Certificate: the delivery on the Closing Date of a Closing Certificate by the Issuer and (if there is one) the Guarantor; and
- (6) Other Conditions: the satisfaction of the other conditions (if any) set out in the Subscription Agreement.

#### (B) Waiver

The Lead Manager on behalf of the Managers may, at its discretion and on such terms as it thinks fit, waive compliance with Clause 7(A)(2), (3), (4), (5) and (6).

## 8. CLOSING

At the Specified Time on the Closing Date and in such place as the Lead Manager may reasonably require, the Issuer will issue to the order of the Managers the Closing Security, duly executed and (if so required) authenticated. Against such delivery, the Managers will pay the Closing Payment in the currency of the Securities for value the Closing Date to such account in the principal financial centre for the currency as the Issuer may specify to the Lead Manager not later than 5 days before the Closing Date. Such payment shall be evidenced by a confirmation by a depositary common to Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear System and Cedel SA that it has so made that payment.

## 9. COMMISSION

The Issuer (failing whom the Guarantor, if there is one) agrees to pay the Commission to the Managers.

## **10. EXPENSES**

The Issuer (failing whom the Guarantor, if there is one) will pay to the Lead Manager the Expense Amount, in the manner specified in the Expenses Letter.

## **11. TERMINATION**

### **(A) Failure to satisfy conditions**

The Lead Manager may, by notice to the Issuer at any time before subscription of the Securities, terminate the Subscription Agreement if any of the conditions in Clause 7(A) is not fulfilled or waived. Upon such termination, the parties shall be released from their obligations under the Subscription Agreement, except for those of the Issuer and (if there is one) the Guarantor under Clauses 5 and 10.

### **(B) Force Majeure**

The Force Majeure Clause shall apply as if set out in these Standard Terms.

## **12. SURVIVAL OF RIGHTS**

Performance of the obligations to issue and subscribe the Securities shall not terminate any rights which any party may have under the Subscription Agreement, which shall continue in full force and effect, nor shall any such rights be affected by an investigation made by or on behalf of any of the Managers.

## **13. COMMUNICATIONS**

Any communication shall be given by letter, telex, fax or telephone to the Issuer or (if there is one) the Guarantor or, through the Lead Manager, the Managers, in each case at its Specified Address and to the person specified under Specified Address. Any communication shall be effective (1) in the case of a letter, when delivered, (2) in the case of telex, when sent, provided what purports to be the correct answerback is received at the beginning and end of the telex, (3) in the case of fax, when acknowledged by the addressee specified under Specified Address and (4) in the case of telephone, when made.

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## 14. GOVERNING LAW AND JURISDICTION

### (A) Governing Law and Submission

The Subscription Agreement, as to which time shall be of the essence and which may be executed in any number of counterparts, to be taken together as one agreement, shall be governed by and construed in accordance with English law. The Relevant Courts are to have jurisdiction to settle any disputes which may arise out of or in connection with the Subscription Agreement and accordingly any legal action or proceedings arising out of or in connection with the Subscription Agreement (“Proceedings”) may be brought in such courts. Each of the Issuer and the Guarantor (if there is one) irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Managers and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

### (B) Process

Each of the Issuer and (if there is one) the Guarantor irrevocably appoints the Process Agent (if any) as its authorised agent for service of process in England.

## IPMA STANDARD SUBSCRIPTION AGREEMENT

(For use with IPMA Standard Terms  
for Subscription Agreements)

This Agreement is made on [            ] BETWEEN:

- (1) [Name of Issuer] (the “Issuer”);
- (2) [Name of Guarantor] (the “Guarantor”);
- (3) [Name of Lead Manager] (the “Lead Manager”); and
- (4) [Names of the other Managers] (together with the Lead Manager, the “Managers”).

This Agreement records the arrangements between the parties in relation to the issue of the Securities.

### 1. INTERPRETATION

#### (A) Definitions

“Agreed Basis” means [insert basis on which the warranties are given by the Issuer and the Guarantor, if there is one – e.g. “joint and several”. If there is no Guarantor, delete the definition];

“Closing Certificate” means a certificate, dated the Closing Date and signed by a duly authorised officer of the entity giving it, confirming the warranty in Clause 7(A) (3) of the Standard Terms, as at the Closing Date;

“Closing Consents” means [insert details of those authorisations, consents etc. which cannot be obtained until after the signing of the Subscription Agreement, but which are to be obtained on or before the Closing Date];

“Closing Date” means [            ] or such later date as the Issuer and the Lead Manager on behalf of the Managers may agree;

“Closing Letters” and, in relation to each Closing Letter, its “Specified Date” means:

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January 2000	Subscription Agreement	...\ cont.

Closing Letter [Insert details e.g. legal opinions and auditor’s comfort letters]	Specified Date [Date of Letter]
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each substantially in the form of the draft signed for identification by [English legal advisers to the Lead Manager] with such changes as may be approved by the Lead Manager;

“Closing Payment” means an amount equal to the Selling Price less the Commission and the Expense Amount;

“Closing Security” means [e.g. the temporary global bond];

“Commission” means a combined management and underwriting commission of [ ] per cent. of the principal amount of the Securities;

“Disclosure Document” means [e.g. the Prospectus/Offering Circular/Listing Particulars] dated [ ] [and [e.g. the draft/preliminary Prospectus/Offering Circular/Listing Particulars] dated [ ]], prepared by the Issuer and the Guarantor (if any) in connection with the issue of the Securities;

“Expense Amount” means the amount specified in the Expenses Letter;

“Expenses Letter” means the letter dated [ ] from [ ] to [ ];

“Force Majeure Clause” means [IPMA Version 1/Version 2] in the form in existence on [date on which Managers were informed of the Version to be used], with the clause relating to expenses being deemed to be Clause 10 of the Standard Terms, and with the Lead Manager referred to being deemed to be the Lead Manager, as defined herein;

“Guarantee” means [the guarantee to be contained in the Trust Deed/the guarantees in the form set out in the Fiscal Agency Agreement/the guarantees to be endorsed/enfaced on the Securities], in the form set out in the Specified Documents;

“Issue Amount” means [insert currency and full principal amount of the Securities];

“Process Agent” means [set out name of Process Agent for Issuer and (if there is one) Guarantor. Do not include for Issuers or Guarantors who have a presence in the United Kingdom];

“Relevant Courts” means [insert courts which are to have jurisdiction];

“Relevant Jurisdiction” means [jurisdiction of incorporation of Issuer and (if there is one) Guarantor];

“Securities” means the [currency, total principal amount and description of the Securities to be issued], and includes, where the context admits, the Closing Security, each in the form set out in the Specified Documents;

“Selling Price” means the issue price of [ ] per cent. of the principal amount of the Securities, [plus accrued interest, if any, from [ ] to the Closing Date], less a selling [concession/commission] of [ ] per cent. of such principal amount;

“Selling Restrictions” means the terms set out in the Schedule to the Subscription Agreement and the additional restrictions set out in Clause 2;

“Specified Address” means [set out the specified address and contact details for each party];

“Specified Documents” and, in relation to each Specified Document, its “Specified Date”, means:

Specified Document [Identify contract, including the Subscription Agreement and the Guarantee, if there is one]	Specified Date [Date of Contract]
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each (save for this Agreement) substantially in the form of the draft signed for identification by [English legal advisers to the Managers] with such changes as may be approved by the Lead Manager;

“Specified Financial Statements” means [insert details of the financial statements of the Issuer and, if there is one, the Guarantor which are to be the subject of the warranties, e.g. “contained in the Disclosure Document”

or “contained in its annual reports for the years [ ]”];

“Specified Jurisdictions” means any Relevant Jurisdiction and [ ];

“Specified Time” means [insert time for closing] (London time) or such other time as may be agreed between the Lead Manager, on behalf of the Managers, and the Issuer;

“Stock Exchange” means [ ]; and

“Subsidiaries” means [insert definition (including affiliates, if appropriate) relevant to the Issuer/Guarantor, e.g. the definition used by the law of incorporation of the Issuer/Guarantor].

#### (B) Incorporation of Standard Terms

Except as otherwise provided in this Agreement, the terms of the IPMA Standard Terms for Subscription Agreements dated [ ] (the “Standard Terms”) shall apply to this Agreement as if they were set out in it. [Note: Alternatively, attach a copy in a Schedule.]

## **2. ADDITIONAL AGREEMENTS BY THE MANAGERS**

[Set out United Kingdom and other selling restrictions.]

## **3. ADDITIONAL REPRESENTATIONS AND WARRANTIES**

In addition to Clause 5 of the Standard Terms, each of the Issuer and (if there is one) the Guarantor represents and warrants on the Agreed Basis to each of the Managers that:

### (1) No Directed Selling Efforts

Neither it nor its subsidiaries nor its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (as defined in Regulation S under the United States Securities Act of 1933) with respect to the Securities.

[Insert additional warranties including, if Category 1 under Regulation S is used, the following:

“[(2)] No Substantial US Market Interest:

It reasonably believes that there is no substantial US market interest (as defined in Regulation S under the United States Securities Act of 1933) in its debt securities.” [Note: if the Issuer is a subsidiary of the Guarantor, only the Guarantor need give this additional warranty.]]

The references in the Standard Terms to the representations and warranties in Clause 5(A) shall be deemed also to include the representations and warranties in this Clause.

#### **4. OTHER TERMS**

This Agreement has been entered into on the date stated at the beginning.

[NAME OF ISSUER]

By:

[NAME OF GUARANTOR]

By:

[NAME OF LEAD MANAGER]

By:

[EACH MANAGER]

By:

## PRO FORMA PRICING SUPPLEMENT

### Pricing Supplement dated •

[Name of Issuer]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
[Guaranteed by [Name of Guarantor]]  
under the [*insert Programme Amount*] [Debt Issuance Programme]  
[Euro Medium Term Note Programme]

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the [Information Memorandum/Offering Circular/Prospectus] dated •<sup>1</sup> [and the supplemental [Information Memorandum/Offering Circular/Prospectus] dated • ]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such [Information Memorandum/Offering Circular/Prospectus] [as so supplemented].

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the [Information Memorandum/Offering Circular/Prospectus] dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the [Information Memorandum/Offering Circular/Prospectus] dated [current date] [and the supplemental [Information Memorandum/Offering Circular/Prospectus] dated•], save in respect of the Conditions which are extracted from the [Information Memorandum/Offering Circular/Prospectus] dated [original date] and are attached hereto.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs.*

*Italics denote directions for completing the Pricing Supplement.]*

1. [(i)] Issuer: [ ]  
 [(ii)] Guarantor: [ ]
2. [(i)] Series Number: [ ]  
 [(ii)] Tranche Number: [ ]  
 (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)
3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount: [ ]  
 [(i)] Series: [ ]  
 [(ii)] Tranche: [ ]
5. [(i)] Issue Price: [ ] per cent of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (in the case of fungible issues only, if applicable)]  
 [(ii)] Net proceeds: [ ] (*Required only for listed issues*)
6. Specified Denominations: [ ]<sup>2</sup>  
 [ ]
7. [(i)] Issue Date: [ ]  
 [(ii)] Interest Commencement Date [ ]
8. Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]



9. Interest Basis: [• % Fixed Rate]  
 [[specify reference rate] +/- •  
 % Floating Rate]  
 [Zero Coupon]  
 [Index Linked Interest]  
 [Other (specify)]  
 (further particulars specified  
 below)
10. Redemption/Payment Basis: [Redemption at par]  
 [Index Linked Redemption]  
 [Dual Currency]  
 [Partly Paid]  
 [Instalment]  
 [Other (specify)]
11. Change of Interest or Redemption/  
 Payment Basis: [*Specify details of any  
 provision for convertibility of  
 Notes into another interest or  
 redemption/ payment basis*]
12. Put/Call Options: [Investor Put]  
 [Issuer Call]  
 [(further particulars specified  
 below)]
13. [(i)] Status of the Notes: [Senior/[Dated/Perpetual]/  
 Subordinated]
- [(ii)] Status of the Guarantee: [Senior/[Dated/Perpetual]/  
 Subordinated]]<sup>3</sup>
14. Listing: [London/Luxembourg/other  
 (specify)/None]
15. Method of distribution: [Syndicated/Non-syndicated]

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

16. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the  
 remaining sub-paragraphs of  
 this paragraph)*

- (i) Rate[(s)] of Interest: [ ] per cent. per annum  
[payable [annually/semi-annually/quarterly/monthly]  
in arrear]
- (ii) Interest Payment Date(s): [ ] in each year [adjusted  
in accordance with *[specify  
Business Day Convention  
and any applicable Business  
Centre(s) for the definition  
of “Business Day”]*/not  
adjusted]
- (iii) Fixed Coupon Amount[(s)]: [ ] per [ ] in Nominal  
Amount
- (iv) Broken Amount(s): *[Insert particulars of any  
initial or final broken interest  
amounts which do not  
correspond with the Fixed  
Coupon Amount[(s)]]*
- (v) Day Count Fraction: [30/360 / Actual/Actual  
(ISMA/ISDA) / other]
- (vi) Determination Dates: [ ] in each year (*insert  
regular interest payment  
dates, ignoring issue date or  
maturity date in the case of  
a long or short first or last  
coupon. N.B. only relevant  
where Day Count Fraction is  
Actual/Actual (ISMA)*)
- (vii) Other terms relating to the  
method of calculating interest [Not Applicable/*give details*]  
for Fixed Rate Notes:
- 17. Floating Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the  
remaining sub-paragraphs of  
this paragraph.)*

- (i) Interest Period(s) [ ]
- (ii) Specified Interest Payment Dates:[ ]
- (iii) Business Day Convention: [Floating Rate Convention/  
Following Business Day  
Convention/ Modified  
Following Business Day  
Convention/ Preceding  
Business Day Convention/  
other (*give details*)]
- (iv) Business Centre(s): [ ]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate  
Determination/ISDA  
Determination/other (*give details*)]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]): [ ]
- (vii) Screen Rate Determination:
- Reference Rate: [ ]
  - Interest Determination Date(s): [ ]
  - Relevant Screen Page: [ ]
- (viii) ISDA Determination:
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
- (ix) Margin(s): [+/-][ ] per cent per annum
- (x) Minimum Rate of Interest: [ ] per cent per annum
- (xi) Maximum Rate of Interest: [ ] per cent per annum

- (xii) Day Count Fraction: [ ]
- (xiii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [ ]
18. **Zero Coupon Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) [Amortisation/Accrual] Yield: [ ] per cent per annum
- (ii) Reference Price: [ ]
- (iii) Any other formula/basis of determining amount payable: [ ]
19. **Index-Linked Interest Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index/Formula: [give or annex details]
- (ii) Calculation Agent responsible for calculating the interest due: [ ]
- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: [ ]
- (iv) Interest period(s) [ ]
- (v) Specified Interest Payment Dates: [ ]
- (vi) Business Day Convention: [Floating Rate Convention/  
Following Business Day]

- Convention/Modified  
Following Business Day  
Convention/Preceding  
Business Day Convention/  
other (*give details*)]
- (vii) Business Centre(s): [    ]
- (viii) Minimum Rate of Interest: [    ] per cent per annum
- (ix) Maximum Rate of Interest: [    ] per cent per annum
- (x) Day Count Fraction: [    ]
20. **Dual Currency Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [ *give details* ]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [    ]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [    ]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [    ]

## PROVISIONS RELATING TO REDEMPTION

21. **Call Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [    ]

- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [ ] per Note of [ ] specified denomination
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [ ]
- (b) Maximum Redemption Amount: [ ]
- (iv) Notice period<sup>4</sup> [ ]
22. **Put Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [ ] per Note of [ ] specified denomination
- (iii) Notice period<sup>4</sup> [ ]
23. **Final Redemption Amount of each Note** [[ ] per Note of [ ] specified denomination /other/see Appendix]
24. **Early Redemption Amount**
- Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): [ ]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

25. Form of Notes:
- Bearer Notes:**  
 [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]  
  
 [Temporary Global Note exchangeable for Definitive Notes on [] days' notice]  
  
 [Permanent Global Note exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]  
  
 [Registered Notes]
26. Financial Centre(s) or other special provisions relating to Payment Dates:
- [Not Applicable/*give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 16 (ii), 17(iii) and 19(vi) relates*]
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):
- [Yes/No. *If yes, give details*]

28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details*]
29. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/*give details*]
30. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition •] [annexed to this Pricing Supplement] apply]
31. Consolidation provisions: [Not Applicable/The provisions [in Condition •] [annexed to this Pricing Supplement] apply]
32. Other terms or special conditions: [Not Applicable/*give details*]

## **DISTRIBUTION**

33. (i) If syndicated, names of Managers: [Not Applicable/*give names*]
- (ii) Stabilising Manager (if any): [Not Applicable/*give name*]
34. If non-syndicated, name of Dealer: [Not Applicable/*give name*]
35. Additional selling restrictions: [Not Applicable/*give details*]

## **OPERATIONAL INFORMATION**

36. ISIN Code: [ ]
37. Common Code: [ ]



38. Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Societe Anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
39. Delivery: Delivery [against/free of] payment
40. Additional Paying Agent(s) (if any): [ ]

### **[LISTING APPLICATION]**

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the [*insert Programme Amount*] [Debt Issuance Programme] [Euro Medium Term Note Programme] of •.]

### **RESPONSIBILITY**

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: .....  
Duly authorised

[Signed on behalf of the Guarantor:

By: .....  
Duly authorised]

### **Notes**

<sup>1</sup> To leave blank in the pro forma pricing supplement in the offering circular.

<sup>2</sup> *Section 6: Add the following language if the programme allows for issues of securities with a maturity of less than one year and the issuer is not an authorised person permitted to accept deposits or an exempt*

*person under the UK Financial Services and Markets Act 2000. Delete square-bracketed text for issuers incorporated in the UK or within S 418 FSMA. The issue of securities with a maturity of less than one year by such issuers, where the issue proceeds are to be accepted in the United Kingdom, or, in the case of issuers incorporated in the UK or within S 418 FSMA, will be subject to S 19 FSMA unless their denomination is £100,000 or more (or its equivalent in other currencies) and they are only issued to “professionals” within Article 9(2)(a) of the Financial Services and Markets Act (Regulated Activities) Order 2001:*

Notes [(including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S 19 FSMA and] which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

*Add appropriate provisions to terms and conditions if included.*

- <sup>3</sup> *Add the following language if Board (or similar) authorisation is required for the particular tranche of notes or related guarantee*

Date [Board] approval for issuance of Notes [and Guarantee] obtained: [ ] [and [ ], respectively ]

- <sup>4</sup> If setting notice periods which are different to those provided in the terms and conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the issuer and its fiscal agent or any trustee.