

## Country Annex to CB Markets Deposit Terms and Conditions (New York)

The business relationship between you and Lloyds Bank plc (the "Bank"), operating in the United States of America through its New York branch (herein, "Lloyds Bank New York"), in respect of deposit accounts maintained and booked at Lloyds Bank New York will be governed by the CB Markets Deposit Terms and Conditions (the "Base Terms and Conditions"), as the Base Terms and Conditions are amended, supplemented or modified by the provisions of this Country Annex (the "NY Deposit Terms"). The NY Deposit Terms are intended to amend, supplement and/or modify the Base Terms and Conditions in respect of deposit accounts maintained and booked at Lloyds Bank New York. Terms defined in the Base Terms and Conditions, and used in the NY Deposit Terms without being redefined, have their meanings as so defined.

Pursuant to this Country Annex, the Base Terms and Conditions are amended, varied and/or modified as follows:

1. All references in the Base Terms and Conditions to "Small Business Customers" shall be disregarded. Lloyds Bank New York does not accept Small Business Customer Deposits.
2. Without limiting Section 1, above, the following provisions contained in the Base Terms and Conditions shall be deleted for purposes of the NY Deposit Terms:
  - In **Important Information**: Clauses 3.4, 6, 7, 8 and 10.4.
  - In Section 2: Clauses 4.4, 5, 7.3, 8.3(A), 9.4(A), 11.1, 12.2(D), 14.1, 14.2, 17 and 19.
  - In Section 3: Clause 1.
  - In the Glossary: The definitions of **Community Lending Report Deposit, Partial Withdrawal Term Deposit** and **Variable Rate Term Deposit**.
3. Without limiting Sections 1 and 2, above, the following provisions contained in the Base Terms and Conditions shall be amended or supplemented for purposes of the NY Deposit Terms:

### a) In Important Information:

- Clause 5.1 is amended to add the following sentence at the end: "Lloyds Bank New York is licensed by the New York State Department of Financial Services (the "DFS") and its operations are supervised by the DFS and by the Federal Reserve Bank of New York (the "FRBNY")."
- Clause 6.1 is amended and restated as follows: "Deposit Accounts maintained and booked at Lloyds Bank New York are not covered by the United Kingdom Financial Services Scheme. **DEPOSITS MAINTAINED WITH LLOYDS BANK NEW YORK ARE NOT INSURED BY THE US FEDERAL DEPOSIT INSURANCE CORPORATION ("FDIC")**. In the event that the Bank were to fail, neither the FDIC nor any other agency or instrumentality of the United States would have any obligation to compensate you for any losses you might sustain."
- Clause 9.2 is amended to add the following sentence at the end: "The address of Lloyds Bank New York is 1095 Avenue of the Americas, New York, New York 10036. All correspondence relating to Deposit Accounts with Lloyds Bank New York should be sent to the attention of Treasury Operations"
- Clause 10.4 is amended by deleting all but the first sentence.

### b) In Section 2:

- Clause 4 is amended by inserting a new clause 4.9 reading as follows: "In no event will Lloyds Bank New York accept an 'initial deposit' in an amount of less than US\$250,000 or the equivalent in another currency or currencies on the day on which the initial deposit is made. For purposes of this clause, an 'initial deposit' shall have the meaning ascribed to it in Section 202(m) of Part 347 of the regulations of the US Federal Deposit Insurance Corporation, 12 C.F.R. §347.202(m).
- Clauses 8.3(B), 9.4(B), 10 and 11.2 are amended by deleting references to Call Accounts.
- Clause 9.2 is amended by deleting the final sentence.
- Clause 18.1 is amended and restated as follows: "Unless we expressly otherwise agree in writing in respect of a specified Deposit Account, which writing shall preempt and supersede the provisions of this paragraph with respect to that specified Deposit Account, you give us a lien on, security interest in, and right of setoff against any and all Deposit Accounts (in whatever form and in any currency) which we maintain in your name (individually or jointly with any other person) and all personal property which we hold for you (individually or jointly with another person) as security (the "collateral") for any and all of your present and future obligations to us, whether such obligations are denominated in United States dollars or in any other currency. If we exercise a right of set off in accordance with applicable law or this clause 18.1, we will give you prompt notice that we have done so."
- Clause 24 is amended and restated to read as follows: "**These terms and conditions, and any Deposit Accounts established with Lloyds Bank New York, shall be governed by the laws of the State of New York, United States of America, without regard to the conflicts of laws principles thereof. The courts of the United States and of the State of New York sitting in New York County, New York shall have exclusive jurisdiction of any action or proceeding arising out of these terms and conditions. Both the Bank and you waive any right to a trial by jury in any such action or proceeding.**"

### c) In Section 3:

- Clause 2 is amended by adding a bullet reading as follows: "If you desire to withdraw any portion of a notice deposit without giving us notice in accordance with the relevant notice period, Lloyds Bank New York may exceptionally permit you to do so, but we shall not be required to do so. If we permit you to make any such early withdrawal, you shall pay to Lloyds Bank New York (i) an administrative charge of \$100 in respect of each such early withdrawal which we permit, (ii) if such early withdrawal occurs prior to the seventh (7<sup>th</sup>) day following the establishment of the notice deposit, an interest penalty which shall equal an amount which under applicable Federal Reserve Board regulations shall not be less than seven (7) days' simple interest at the agreed rate then accruing on the notice deposit and (iii) any other costs or expenses incurred by Lloyds Bank New York as a result of such early withdrawal."
- Clause 3 is amended by deleting references to Variable Rate Term Deposits, Partial Withdrawal Term Deposits, and Community Lending Report Deposits. No such Deposits are maintained by Lloyds Bank New York.

- Clause 3 is further amended to add a paragraph at the end reading as follows: “If you desire to withdraw, prior to the scheduled maturity date of a Term Deposit, any portion of a Term Deposit having an original term to maturity of seven (7) or more days, we may exceptionally permit you to do so, but we shall not be required to do so. If we permit you to make any such early withdrawal, you shall pay to Lloyds Bank New York (i) an administrative charge of \$100 in respect of each such early withdrawal which we permit, (ii) an amount which shall equal the sum of (A) an interest penalty which under applicable Federal Reserve regulations shall not be less than seven (7) days’ simple interest at the agreed rate accruing on that Term Deposit if withdrawal is made during the first seven (7) days (1) of the term of that Term Deposit or (2) since the immediately prior early withdrawal for which we were required under Federal Reserve Board regulations to charge you an interest penalty and (B) an amount, if any, necessary to compensate us for any higher interest rate which may at the time of withdrawal be applicable to Term Deposits with us of a comparable amount for the remaining term to maturity of that Term Deposit and (iii) any other costs or expenses incurred by us.”

d) In the Glossary:

- The definition of **Cut Off Time** is amended by deleting the existing parenthetical and inserting the following in lieu thereof: “(4:30 pm New York time)”.
- The definition of **Nominated Account** is amended by adding the following sentence at the end: “Lloyds Bank New York does not maintain Nominated Accounts for its customers.”
- The definition of **Term Deposit** is amended by (i) deleting the words “either” and “or variable” and (ii) adding the following at the end: “A Term Deposit with an initial term to maturity of less than seven (7) days is considered a ‘Transaction Account’ under regulations of the Federal Reserve Board, and is subject to transaction account reserve requirements under those regulations. Term Deposits having an initial maturity of seven (7) or more days do not incur transaction account reserve requirements.”
- The definition of **Working Day** is amended and restated as follows: “**Working Day** means any day (i) other than a Saturday, Sunday or day on which commercial banks in New York City are authorized or permitted by law or executive proclamation to close and (ii) in respect of Deposit Accounts denominated in a currency other than US Dollars, on which banks in London are open for business.”

4. **CONTRACTUAL RECOGNITION OF BAIL-IN.** (A)

Notwithstanding any other provision in the Base Terms and Conditions as amended and/or supplemented by these NY Deposit Terms (as so amended and/or supplemented, “these Terms”), or any other agreement, arrangement or understanding between you and the Bank (the “Parties”), each Party acknowledges and accepts that any liability of the Bank to the Applicant under these Terms or in connection with any Deposit Account which you maintain with Lloyds Bank New York may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):

- i. a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
  - ii. a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
  - iii. a cancellation of any such liability; and
- (b) a variation of any term of this Agreement to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

(B) For purposes of this Section 4, the following terms shall have the following meanings:

**“Bail-In Action”** means the exercise of any Write-down and Conversion Powers.

**“Bail-In Legislation”** means (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time, and (b) in relation to any other state, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

**“EEA Member Country”** means any member state of the European Union, Iceland, Liechtenstein and Norway.

**“EU Bail-In Legislation Schedule”** means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

**“Resolution Authority”** means any body which has authority to exercise any Write-down and Conversion Powers.

**“Write-down and Conversion Powers”** means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and

(b) in relation to any other applicable Bail-In Legislation:

- i. any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
- ii. any similar or analogous powers under that Bail-In Legislation.